THE WORLD TODAY

JANUARY 1979

NOTES OF THE MONTH
The new Spanish Constitution
EEC: Germany in the Chair
Austria's nuclear referendum

SAVING THE DOLLAR
T. de Vries

CASTRO'S CUBA IN WORLD AFFAIRS, 1959–79
Gordon Connell-Smith

PORTUGAL: DEMOCRACY'S BALANCE-SHEET
Robert Harvey

ASEAN: THE GROWTH OF AN ECONOMIC DIMENSION
Stuart Drummond

CHATHAM HOUSE

Founded in 1945, THE WORLD TODAY is issued under the auspices of the Royal Institute of International Affairs and published monthly by the Oxford University Press.

ANNUAL SUBSCRIPTION (12 issues a year)
Including postage inland and overseas
UK £7
US $20 (by accelerated surface post)
Elsewhere £9
Single copies 70p ($2) post free

Orders may be sent to booksellers and newsagents or to the Oxford University Press, Press Road, Neasden, London, NW10 0DD Telephone 01-450 8080

The Royal Institute of International Affairs is precluded by the terms of its Royal Charter from expressing an opinion of its own on any aspect of international affairs. Any views expressed in this publication are, therefore, the responsibility of the contributors.

ISSN 0043-9134

THE WORLD TODAY

The Royal Institute of International Affairs

CONTENTS

EDITOR: LILIANA BRISBY

January 1979
Vol. 35. No. 1

Manuscripts and correspondence should be addressed to the Editor, *The World Today*, The Royal Institute of International Affairs, Chatham House, 10 St James's Square, London SW1 4LE.

Notes of the month

THE NEW SPANISH CONSTITUTION

THE referendum on the Spanish Constitution took place on 6 December 1978—a day of inclement weather in Madrid and most of Spain. This was the third time in 24 months that the electorate had been called upon to vote. The turn-out nationwide was 68 per cent, of which 87 per cent expressed assent and under 8 per cent disapproval. In Euzkadi, however, only 45 per cent voted, and the negative vote was almost 24 per cent. The Government and constituent Cortes had no cause for dissatisfaction with the results. No previous constitution had been put to the direct *free* vote of the people.

The new Constitution defines Spain as a multi-party democratic parliamentary Monarchy. The people, 'in whom sovereignty resides', will elect a two-chamber Cortes at least once every four years. The Crown will appoint as Prime Minister that person to whom a majority in the Cortes is prepared to entrust government.

'The Constitution', the second of its 169 articles proclaims, 'is based on the indissoluble unity of the Spanish nation, the common and indivisible motherland of all Spaniards', and yet 'it recognizes and guarantees the right to autonomy of the nationalities [*nacionalidades*, a neologism] and regions of which it is composed'. It guarantees and recognizes the right of the individual 'to life and physical integrity'. There will therefore be no death penalty, no degradation, no forced labour. Even the convicted criminal may learn a trade and earn a living and enjoy the same social security benefits as any other citizen. Parents will be responsible for the welfare and maintenance of their children whether born in wedlock or not. They will also have the right to determine their religious and moral education, and they are to have a say in the management of state schools. Private schools will be allowed. The individual will have the right to property. Private industry is guaranteed, subject to the common good and side by side with the nationalized. Workers will have the right to organize in their interest, and to go on strike; but entrepreneurs, too, will have the right to protect their interests.

Work on this Constitution began in August 1977, when an inter-party Committee of eight members of the Lower House (*Congreso*) of the Cortes elected the previous June was appointed to make a first draft. When it was put before the Cortes in January 1978, 1,133 amendments to it were tabled. An inter-party commission of 36 was then selected to consider the

amendments and revise the text. After some weeks, the majority in the Commission concluded on 24 May that they would get nowhere unless they sought the highest factor of agreement on principles and left details on which they could not agree to ordinary legislation. The ruling party, the Democratic Centre Union (UCD), the Socialists and the Communists in particular listened to each other's suggestions and conceded points to each other. Though not wholly free of philosophy, this text was not to be heavily doctrinaire or partisan, like the Republic's 'impossible' Constitution. No article was to be so worded as to be totally unacceptable to any sizeable sector of the population.

The draft as rewritten by the 36-man Commission was put before the Congreso in July. This time only 180 amendments were tabled, mostly from the outer ends of the political spectrum. Over a period of three weeks the draft was discussed and voted upon clause by clause to a rigid timetable. Again, there was a willingness to achieve the greatest measure of consensus. For example, an amendment proposed by a Catalan diehard republican to declare Spain a Republic received a mere six votes. The definition of Spain as a Monarchy was then passed by the vote of the UCD, the right-wing Alianza Popular, Basque and Catalan nationalists and Communists. The Socialists abstained, but they explained they were doing so out of loyalty to their historic past; they would, however, approve wholeheartedly in due course the articles declaring the King Head of State and determining the duties and powers of the Crown in the state: those duties, let it be said in passing, are similar to those of the Crown in Great Britain, the powers somewhat more restricted.

The passage of Article 16 defining State–Church relations was similar. Clause One states: 'The ideological and religious liberty of individuals and communities and the freedom to [public] worship are guaranteed. . .'; Clause Two: 'No one shall be forced to declare his ideology, religion or beliefs.' Those two clauses were approved unanimously. Clause Three, however, broke the consensus: 'There will be no state religion; however, public authorities will bear in mind the religious beliefs of Spanish society and will accordingly co-operate (*mantendrán las correspondientes relaciones de cooperación*) with the Catholic and other churches.' The Socialists wanted the mention of the Catholic Church deleted. They were outvoted by the combined strength of the Communists (their Secretary-General spoke with fervour in favour of its retention), the Centre and the Right, and in the end the Socialists again limited the expression of their disagreement to abstention.

Abstention, however, was not automatic when the vote on a clause as drafted or an amendment could go either way. This happened on a few occasions. The most notable was over another of the many articles on fundamental rights and freedoms. The draft version began: 'Every person (*toda persona*) has the right to life and physical integrity. . .' An

amendment was tabled: 'Everyone (*todos*) has a right to life and physical integrity. . .' Communists and Socialists alike read into the amendment an attempt to pre-empt any future legalization of abortion, for under existing Spanish law a child is a human being from the moment of conception, but not a *persona* until born. The amendment was passed by the narrow margin of 158 votes to 147.

After approval by the Congreso, the draft was brought to the Senate, which introduced a few amendments. A joint Senate–Congreso Committee then reconciled the differences, and the two Houses were called upon to cast their votes on the agreed final text, on 31 October.

In the Senate the vote was 226 for to 5 against, with 8 abstentions; in the Congreso 325 for to 6 against and 14 abstentions. Five of the six negative votes in the Congreso came from members of the Alianza; the sixth was that of a leftist Basque. The five in the Senate were likewise a mixture of far right and left. Three of the 'abstentions' in the Senate were idiosyncratic, the other five were from members of the Basque Nationalist Party (PNV). The PNV also accounted for seven abstentions in the Congreso, the Alianza for three, and diehard republicans for four.

The Basques agreed that this Constitution promised a degree of autonomy far wider than that which the Republic granted them in 1937. However, they were to have their ancient liberties restored 'within the framework of this Constitution', and as an act of grace on the part of the Spanish State and Cortes. That they could not accept—they were a people with rights antedating the Spanish State. Furthermore, such an acceptance would leave them at the mercy of the central power: 'he who has the right to give has the right to take away'.

Days of discussion between the UCD and the PNV in search of a formula which would satisfy the Basques yet not provoke a violent reaction among the many Spaniards, mostly but not entirely of the Right, who consider Nation and State synonymous concepts, and were already angry over the neologism 'nationalities', had produced no result. Accordingly, the PNV had abstained from voting in the Cortes and now counselled the Basques to abstain from voting in the referendum which was to follow the final vote in the Cortes on 6 December.

The extreme Right and extreme Left urged the people to vote 'no'. The Archbishop of Toledo drew the attention of his archdiocese to the wording of certain articles which he considered unsatisfactory, but the hierarchy collectively left the decision on how to vote to the individual conscience. Centre, Socialists and Communists campaigned for a 'yes' vote.

Following the plebiscite, the Constitution was duly signed on 27 December by King Juan Carlos I as 'Head of State and symbol of the Nation', in the presence of both Houses of the Cortes.

GEORGE HILLS

EEC: GERMANY IN THE CHAIR

THE last six months have been a testing period for the European Community. Rarely has there been so much activity at the highest level of decision-making. Two sessions of the European Council, under the active chairmanship of the West German Chancellor and numerous other meetings between heads of government have been concerned almost exclusively with the proposal to establish a new European monetary system (EMS). Although the proposals picked up ideas that had been circulating for some time, the scheme was very much the brain-child of Helmut Schmidt. The coincidence of a West German Presidency of the Council of Ministers was thus extremely opportune. It enabled the Chancellor to press hard for an early agreement that was widely believed to be a profoundly significant step in the development of the Community. But, despite the careful preparations, the outcome of the meeting of the European Council on 4/5 December was much less than Herr Schmidt had hoped for. Although it had been expected that the UK would stand aside from the exchange-rate system, the deep reservations expressed by the Italians and Irish were a disappointment—though this was sweetened by the subsequent Italian decision to join the EMS. The negotiations since the Bremen summit which launched the German Presidency reveal clearly both the opportunities and the limitations of the Council Presidency as a vehicle for introducing new initiatives. Six months is a very short time in which to win agreement among nine governments, each with its own domestic problems and pressure groups, particularly on so complex a formula for closer monetary co-operation.

If the EMS debate overshadowed the rest of Community business, this was in part because of the personal involvement of heads of government and also because the German Government adopted a fairly low profile towards the other work of the Presidency. The catch-phrase of officials during the early summer of 1978 was 'business as usual'. Even Herr von Dohnanyi, the Secretary of State, who claimed that the German Presidency would see six months of active decisions, modified his attitude to one whereby the Government would be as positive as possible in creating sufficient consensus for decisions to be taken. The damping down of speculation before the Presidency began reflected some concern that the Bremen European Council meeting and the Bonn Western economic summit which closely followed it were something of a gamble if no agreements were reached. 'Business as usual' reflected the familiarity of many German officials with the role of the Presidency, the more pragmatic approach engendered by Herr Schmidt in contrast to his predecessor Willy Brandt, and a certain disenchantment in West Germany with a Community that too often appeared preoccupied with wrangles over details while demanding that West Germany increase its financial commitment. However, there has been a general tendency for the West

German Government to be reactive and defensive within the Community, particularly in areas where *laissez-faire* precepts are challenged (the exception of course being in agriculture). As with most of the Big Four members of the Community, the Germans have in general found it difficult always to balance the demands of an impartial Chair with the protection or advancement of national interests.

Moreover, in addition to the continuing belief in Germany's vulnerability as a Community leader (once summed up by an official saying that Europeans would not want to be led by Germany even towards Paradise), there were other political and bureaucratic constraints on a more positive and initiatory German Presidency. Indeed, the political constraints on several German ministers, not least Herr Genscher as leader of the FDP, were considerable. According to one report, in the week immediately before the Land elections in Hesse, Herr Genscher made some 35 speeches in a successful attempt to shore up the declining fortunes of the FDP and to maintain the position of the Government in the Bundesrat. The internal governmental machinery has also imposed strains on the German ability to present a co-ordinated and coherent position, causing, for example, particular difficulties for Herr Genscher in his attempt to improve the Community decision-making structure by establishing the General Council (i.e. that of Foreign Ministers) as the primary co-ordinating body of the Community. During the last six months, while the Germans dealt with Community business with considerable energy and often with no little skill, there was at times a certain confusion with their officials acting on ambiguous instructions.

As is usual with a Presidency during the second and much abbreviated half of the year, the existing agenda was particularly heavy. None the less, certain priorities were apparent in which the Germans either had direct interests or believed that they could play a useful mediatory role. In his opening speech to the European Parliament, Herr Genscher concentrated largely on external relations. He stressed the need to reverse the tide of protectionism, both within GATT and within the Community itself, so that the Community might find its way back to stable growth, and maintain the momentum of the enlargement negotiations. Other major objectives less loudly voiced by the German Government included the settlement of Mediterranean agriculture issues and, if at all possible, a settlement of the problem of the common fisheries policy; the establishment on a sound basis of the negotiations with the ACP countries for a successor Convention to Lomé I; closer co-operation on policy towards Southern Africa; a closer relationship with the ASEAN countries; the resuscitation of the Euro-Arab dialogue; and on subjects such as the Budget to have as smooth a ride as possible.

The German record has inevitably been patchy, especially because of the attention devoted to the EMS. The German Presidency was able, for

example, to maintain the momentum in the enlargement negotiations, although it proved difficult both for the Community itself to reach agreed positions and for the Greeks to accept them, especially on the issue of the transitional period for agriculture. The German Presidency was also active in bringing about decisions on some outstanding issues—such as the establishment of a Youth Unemployment Fund and, despite their misgivings, the steel industry package—and in narrowing the differences among the member states on others, such as the social security package. But in agriculture many specific proposals got bogged down in the general question of the CAP's reform. In the fisheries negotiations, the drama continued, despite the optimism aroused by the Callaghan–Schmidt summit in October. While Herr Ertl and Mr Silkin may have reduced some of the gaps, they found too many issues remaining between them to reach agreement. The Germans also wanted harmonious relations with the European Parliament in preparation for direct elections, but ended up with a conflict over the Budget as a consequence of problems with the Regional Development Fund.

The German Presidency began with a great flourish and, under Herr Schmidt's leadership, with signs of a renewed interest in proposals to strengthen Community co-operation. Had the EMS proposal proved fully acceptable to all nine member states, Herr Schmidt would have scored a considerable personal achievement. As things have turned out, the last six months have shown a record of serious political endeavour on the part of the German Government, but only limited progress at the end of them. Major political breakthroughs are elusive, but it is significant that leading national politicians should be prepared to invest so much time and energy in working towards them. Already there are signs that the French Government under President Giscard d'Estaing is adopting a far more positive approach to the French Presidency of the Council than on any previous occasion.

GEOFFREY EDWARDS and HELEN WALLACE*

* G. Edwards and H. Wallace, *Die Rolle der Präsidentschaft* (Bonn: Europa Union Verlag, 1978).

AUSTRIA'S NUCLEAR REFERENDUM

In a referendum held on 5 November, Austrians narrowly rejected plans by the Government to put on-stream the country's first atomic energy plant at Zwentendorf. The result showed voters neatly divided with 50·5 per cent against and 49·5 per cent in favour. The turn-out of 65 per cent, although low by Austrian standards, was sufficient to compel the Socialist Government to rethink its nuclear programme.

This was a personal defeat for Chancellor Kreisky and a vote of no confidence in his Socialist party, the SPÖ. Kreisky had hoped to avoid nuclear power becoming an issue in the next general election due in October 1979. Public opinion polls predicted in September that 60 per cent would side with the Government's nuclear policies. Opponents admitted that they would be satisfied if they could mobilize a third of the electorate. The last-minute, dramatic shift in public opinion means that nuclear power will remain a controversial subject in Austrian politics. Kreisky has been Chancellor since 1970 and led his party to victory in the last general election, in 1975, by capturing over 50 per cent of the vote. The SPÖ has an absolute majority in Parliament but was unwilling to take sole responsibility for launching Austria into the age of nuclear power.

Last summer, the Socialists managed to pass a law giving the go-ahead for Zwentendorf, although the two opposition parties voted against. In view of reservations in the ranks of the parliamentary SPÖ and numerous mass demonstrations, Kreisky decided on a referendum. This had officially been rejected earlier in the year by the SPÖ as an unsuitable way of deciding such an emotional issue, but the decision to hold a referendum was accepted by all three parties in Parliament.

According to the Austrian Constitution, a referendum can only be held on a law passed by Parliament and awaiting the authentication of the Federal President. It was this so-called 'Atom Law', already passed by the Socialists, that voters were judging in November. The main provisions stated that the commissioning of a nuclear power plant would require the special authorization of Parliament and that in the case of Zwentendorf this had been granted. The main opposition party, the conservative People's Party (ÖVP), wanted a reformulation of the text to pose a clear 'yes' or 'no' on atomic energy in general. This is the first time during the Second Republic that Austrians have participated in a referendum and some confusion was apparent during the campaign. Masses of leaflets and brochures, often accompanied by technical diagrams, descended on the bewildered voter explaining the intricacies of nuclear power. According to surveys, with an increase in the dissemination of information, the average voter confessed to being less knowledgeable.

The leader of the ÖVP, Josef Taus, initially came out against nuclear power and then backed down after pressure from his party executive. In

October, the party switched decisively to the opposing camp inspired perhaps by successes scored in the Viennese municipal elections. The party has been on record as supporting the peaceful use of nuclear energy and was in Government, in 1968, when the decision was made to build a plant in Austria. Zwentendorf is in the province of Lower Austria whose governor, a member of the ÖVP, was originally an enthusiastic advocate of the project. The party's politicians are in leading positions in the regional electricity companies which have a 50 per cent interest in the plant. Industry's commitment to nuclear energy has tended to blunt the ÖVP's opposition. The party has recently become increasingly safety conscious and has urged caution in proceeding with nuclear power.

The SPÖ was also divided, with the powerful trade unions endorsing the Government's policies and the left wing and youth sections against. Opinion polls estimated that relatively more 'no' votes were to be found amongst the under thirties. The SPÖ in the province of Vorarlberg, which had once fought successfully against the proposal to build a nuclear plant across the border in Switzerland, felt that it could not give approval for Zwentendorf. Kreisky's son was a leading member of a group of 'Socialists against Atomic Energy'. A rival 'Committee for Zwentendorf' was established by a prominent Socialist trade unionist. The official line of the SPÖ was to argue that nuclear energy was necessary and acceptable, providing that strict safety regulations were met. The Socialist President of the Austrian Trade Union Federation praised Zwentendorf as the 'safest nuclear plant in the world' and the SPÖ accordingly recommended it to the public.

Critics of nuclear energy outside of the established parties ranged from Maoists to neo-Nazis. The 'Initiative of Opponents of Atomic Power' (IÖAG), was established in 1976 as an umbrella organization to coordinate the strategy of several left-wing groups. Earlier this year it was instrumental in promoting demonstrations while the energy question was being debated in Parliament. The IÖAG pressed for a referendum which was, at first, rejected by the Government. Once the referendum was announced, the IÖAG began a systematic attack on the Government's position through a monthly paper—*Initiativ*. Criticisms were made of nuclear power in general and of Zwentendorf in particular.

The help of physicists was sought to combat the official arguments on the plant's operational safety. They claimed that the type of steel in the reactor pressure vessel was of an inferior quality and noted that the UKAEA had advised against its use. Zwentendorf is situated only 25 miles north-west of Vienna, a city with a population of 1·6 million. Under US regulations, the plant could not have been built so close to the capital. The IÖAG made much of the fact that Austria's first atomic energy plant had been discovered to lie in an earthquake zone. Propaganda dramatized the dangers of the contamination of the drinking water of Vienna and the

possibility of wind carrying radioactive material to the city. The Government was criticized for attempting to go ahead with nuclear energy when no solution to the problem of the permanent storage of highly radioactive waste has been found. Rumours that a permanent burial site could be located in Austria met with a hostile response from the public. Opinion polls revealed that fears of the dangers of Zwentendorf figured high on the list of reasons for voting against.

The nuclear lobby saw Zwentendorf as a way of reducing Austria's dependency on imported fuel and associated the project with progress, economic growth and security of jobs. The public were reminded that the country could not afford to write off the 8 billion Schillings that the plant had cost. Elaborate calculations were made to establish the cost of nuclear energy. The two camps inevitably came to different conclusions, with the IÖAG maintaining that the full cost had not been taken into consideration by the Government and that, instead of providing a cheap source of energy, Zwentendorf would be an economic fiasco if allowed to go on-stream.

Aware of increasing doubts in the public's mind on the viability of Zwentendorf, Kreisky linked the referendum with a vote of confidence in the SPÖ's record in Government. This put non-Socialist supporters of nuclear energy in a dilemma since a positive vote could be interpreted as an acceptance of the Socialist Government. The attempt by the Chancellor to pull back anti-Zwentendorf Socialists to the Government was not successful.

This was the second major defeat for the SPÖ within a month. The party suffered a setback in its stronghold of Vienna in the municipal elections. These losses damaged the image of one of Kreisky's possible successors, Leopold Gratz, the mayor of Vienna. This followed a scandal surrounding the Minister of Finance who was obliged to offer his resignation in the autumn. When Kreisky met his colleagues after the referendum, it seemed that the Chancellor's resignation could only add to the disarray and the party closed ranks behind its leader. Kreisky will now have to try a new approach to solve Austria's energy problems and will hope for co-operation from the People's Party.

MELANIE SULLY

Saving the dollar

T. DE VRIES

The United States has assumed responsibility for the external value of the dollar—a shift in position of historic importance for international monetary relations.

A FUNDAMENTAL reversal of US economic policies, in both the domestic and international fields, has taken place in recent months. A striking fact is that most of the policy actions taken consist of measures which the US Government had explicitly rejected before. This is particularly evident in the international field, where the Administration belatedly bundled into one package most of the measures which had been suggested by monetary authorities and experts around the world, but which it had previously turned down.

It would be comforting to think that the threat to the Western trade and payments system caused by the dollar slide played a decisive role in bringing about this US policy change. Indeed, without the reversal of policy, widespread trade and payments restrictions would have become a distinct possibility, and the extreme uncertainty created by the developments on the financial and foreign exchange markets threatened to paralyse economic activity and lead to a world-wide depression. Yet it was primarily the threat to US domestic economic prospects and the rejection of existing policies by financial markets that prompted action. This was true in particular of the danger of an old-fashioned financial panic both on the US stock exchange and the currency markets, where declines were feeding on each other.

Nevertheless, the measures adopted have important and beneficial effects on the international situation. In what follows, their basic impact, their likely effectiveness and the tasks ahead are explored.

New policies

On the domestic front, the main priority of US economic policy has been shifted to the fight against inflation. A reduction in the inflation rate is to be achieved by a drastic decline in the US budget deficit, a restrictive monetary policy, and anti-inflation guidelines for wages and prices.

On the external side, the United States is amassing an amount of $30

Dr de Vries is an Alternate Member of the Executive Board of the International Monetary Fund and Visiting Professor at the School of Advanced International Studies, Johns Hopkins University.

billion in the currencies of Germany, Japan and Switzerland for intervention in the exchange markets through borrowing from the International Monetary Fund (IMF), from the Central Banks of Germany, Switzerland and Japan, and through the issue by the US Treasury of securities denominated in foreign currencies.

Of particular importance has been the clear statement by the Treasury Secretary, W. Michael Blumenthal, and the Federal Reserve Board Chairman, G. William Miller, that 'recent movement in the dollar exchange rate has exceeded any decline related to fundamental factors. . . The time has come to call a halt to this development.' Thus the previous policy of intervention only to prevent disorderly conditions on the exchange market was replaced by the new policy to 'intervene in a forceful and co-ordinated manner in the amounts required to correct the situation'.

The external measures in particular amount to a clear reversal of policy. Among the reasons for this reversal the following were the most important. The Administration looked bad in the light of the rejection of its economic policies by financial markets. Moreover, this market reaction threatened to lead to both inflation and recession, thus thwarting President Carter's domestic economic programme. Inflation was fuelled by the sharp fall of the dollar which raised import prices and allowed domestic producers of competing products to raise their prices as well. Together with the fall on the New York stock markets, this increased the risk of recession. Those who take decisions about business investment usually share the outlook of investors on the stock market. With great pessimism reigning there, a fall in investment was likely.

Politically it was better to run the risk of any recession in 1979 rather than in the Presidential election year 1980. Moreover, the disarray of the dollar was having disturbing effects on the Western Alliance, as well as weakening the hand of the moderates within the organization of oil-exporting countries, Opec.

How effective will the programme be?

The financial programme essentially means that the United States will henceforth finance an important part of its external payments deficit. Up to 1 November the financing of this deficit was left almost entirely to foreign central banks or private financial transactions, and thus had led to unjustified changes in exchange rates. For quite some time foreign central banks tried to guide the external value of the dollar by purchasing excess supplies of dollars on the exchange markets. But it had become clear that the US deficit was too massive to be handled in this way. As a result, foreign central banks had abandoned much of their intervention in utter discouragement, thus causing even more rapid movements in exchange rates. The new programme has fundamentally changed this

picture. The US authorities will intervene as forcefully as needed 'to correct recent excessive exchange rate movements'. Although they are doing so in co-ordination with other central banks, primarily the three whose currency has been borrowed, the new policy means that the United States has assumed responsibility for the external value of the dollar. This is a shift in position of almost historic importance for international monetary relations.

In addition, significant psychological factors are at work. It was precisely the US refusal to take any responsibility for the external value of the dollar and the policy of leaving this value to be established by the free play of market forces that led to a massive lack of confidence in the dollar and to vast dollar sales. The changed policy is likely to lead to a greater willingness by private financial markets to finance part of the US deficit.

Moreover, the tightening of monetary policy is likely to have important effects. For one thing, the creation of new money had consistently overshot the targets set by the Federal Reserve System, so that new dollars were steadily becoming available to be sold on the exchange market. The more restrictive monetary policy will correct this situation.

It will also have an effect on the US domestic economy by slowing down growth. At this moment it is impossible to predict whether the result will be a slower rise or an actual decline in activity which, if it persists for at least two quarters, is called a recession. But the slow-down in domestic demand, in conjunction with the expansionary policies in Europe and Japan, can be expected to result in a marked reduction of the US trade deficit.

The new programme has been received positively by monetary authorities and financial markets around the world. This seems quite justified, for an important set of measures has been put in place, and they all work in the right direction. The programme's success depends on the forceful implementation of these measures. There must be clear evidence that the United States is in fact willing to finance its external deficit for an intermediate period. There must also be clear evidence that this deficit will disappear as a result of budgetary and monetary policy as well as policies in the wage and price field, and that these policies result in a significant reduction in the inflation rate. The experience of the past few years has been that if fundamentals do not improve, intervention on the exchange market is not effective. Moreover, daily turnover on the New York exchange market alone is estimated at some $5 billion. In this light, the $30 billion assembled, even though equivalent to almost two-thirds of the IMF's total resources, is not very much.[1]

[1] A question mark is raised by the voluntary character of the guidelines, which is defended on the ground that it is necessary to avoid distortions. But either the voluntary guidelines are effective and then they will lead to the same distortions as mandatory measures, or they are ineffective and therefore of little use. One should not be surprised if the Carter Administration were to reverse its policy in this field as it has done in others.

Are exchange rates right?

Of central importance is, of course, the question whether the current exchange-rate relationships between the dollar on the one hand and the European currencies and the yen on the other are correct. The best econometric estimates are that the rates of mid-November—that is after the significant rebound of the dollar—will by 1981 lead to a satisfactory international payments situation if a number of important assumptions are realized. The first of these assumptions is that future exchange-rate movements will offset inflation differentials after the first half of November 1978. The second is that the price of oil will remain constant in real terms through 1981. The third is that there will be significant shifts in domestic demand policies. These are necessary to bring the United States, Germany and Japan near to internal equilibrium and they also have an important effect on current international payments.

The extent of the influence of domestic demand management on current international payments is quite striking. A change in manufacturing output of 1 per cent, maintained over three years, has the same effect on the balance of trade as a change in the exchange rate of the mark of some 15 per cent and an 8 to 9 per cent change in the rate of the yen. Thus, rather modest changes in the level of domestic demand affect trade much more forcefully than changes in exchange rates.

Changes in demand management are also desirable for domestic reasons. There is still considerable slack in Germany and especially in Japan, while capacity limits have been reached in the United States. Hence, expansionary policies in the first two countries and a slowdown of demand in the United States are necessary for domestic as well as for international reasons.

But even if these changes in demand management are carried out, present exchange rates will lead to equilibrium only in the absence of inflation differentials. Unfortunately, it is not likely that US inflation can be brought down rapidly. The conclusion is that, if one is to believe the admittedly uncertain econometric calculations, a further modest decline in the exchange rate of the dollar may well be necessary. Or, to put it simply, high US inflation and exchange-rate stability are incompatible. The role of intervention must then be to ensure that any unavoidable exchange-rate movement takes place smoothly.

But what about the widespread intuitive feeling that the dollar is vastly undervalued at present exchange rates? The point is that exchange rates are not determined by the purchasing power parity of general *domestic* price levels, but by the volume and price of those goods that are actually exchanged in international trade. Imports of expensive oil make up a much higher percentage of trade for the United States than for most other industrial countries. Hence, the rise in the price of oil has produced a vast increase in the US deficit. The likelihood that the United States will some day develop alternative ways of producing energy to meet its

needs, and thereby dramatically strengthen the dollar, is beyond the market's horizon. The same applies to a change in confidence which would result from a Communist takeover in an important European country, or to some other sudden change in market psychology. Hence, those who have accumulated dollar balances on these grounds have lost a great deal of money—at least so far—and, as Lord Keynes observed, in the long run we are all dead.

A Substitution Account

The fact that changes in the external value of the dollar, necessary to equilibrate the US balance of payments, are incompatible with the dollar's role as the world's reserve currency—that is, the world's money—may well create a problem for international monetary relations in the next few years. A similar conflict in the 1960s and early 1970s between the need for Great Britain to adjust its international payments and the reserve currency role for sterling has, for all practical purposes, put an end to that role for sterling.

The vast depreciation of the dollar during the past few years vis-à-vis some other important currencies may lead to a persistent tendency by the private sector and by central banks to diversify their foreign assets. Up till now, almost all liquid monetary reserves have been held in dollars because the dollar is the world's money. But this has turned out to be a risky way of going about one's business. It may well be that in future financial agencies will be less inclined to put all their eggs in one basket. The Middle East oil producers are already showing signs of spreading their risks.

There are basically two ways to tackle this problem. One would be for the US current account to move into massive surplus to pay off the unwanted dollar balances. But this is an undesirable policy because it would require a major change in the world economic structure without any real need. The alternative is simply to provide those who wish to diversify with an opportunity to exchange their dollar holdings into other financial assets.

This again can be done in two ways. The first would be for Germany, Japan and Switzerland to make their currencies available for the purpose of holding monetary reserves, thus assuming the role of reserve currency countries. So far they have been unwilling to do this because of the inflationary internal consequences. The second and more promising way would be to resurrect the idea of a Substitution Account in the IMF.

Under such a scheme, dollar balances could be changed into the reserve asset issued by the IMF, the SDR, by depositing dollars with the IMF in return for SDRs. No new amendment of the Fund's charter would be necessary for such an arrangement. Article V, section 2(b) provides that 'if requested, the Fund may decide to perform financial and tech-

nical services . . . that are consistent with the purposes of the Fund.' Thus, if agreement were reached among member countries to set up something like a Substitution Account, such an arrangement could be administered by the Fund under its present powers.

Interest in a Substitution Account may well be stimulated by the recent agreement to set up a European Monetary System.[a] One feature of this System is the requirement to deposit, for the moment in the form of renewable swaps, 20 per cent of the participating countries' reserves in gold and in dollars in return for European Currency Units (écus). This basically amounts to a form of Substitution Account, for both gold and dollars, on a regional basis. The fact that events have led a number of European countries to establish the new scheme may well lead to pressures to fashion a similar agreement on a world-wide scale.

In any case, it would seem wise to start contingency planning for such an arrangement in the months to come.

[a] For background, see Geoffrey Denton, 'European monetary co-operation: the Bremen proposals', *The World Today*, November 1978.

Castro's Cuba in world affairs, 1959–79

GORDON CONNELL-SMITH

Since the revolution exactly twenty years ago, Cuba's role in international affairs has been played increasingly as part of the Soviet system, but it has reflected mutual perceptions of common interest rather than a traditional patron–client relationship.

LATIN America traditionally has lain outside the mainstream of world affairs. This is not surprising, for the region contains no major powers, and throughout the twentieth century it has been the special sphere of influence of the strongest nation in the world. In accordance with the Monroe Doctrine (dating from 1823), the United States has forbidden other powers to extend their 'systems' to any part of the Americas. This has meant, in practice, limiting the international relationships of Latin America outside the western hemisphere. The United States has brought the Latin American republics into the 'inter-American system', whose centrepiece since 1948 has been the Organization of American States (OAS). An important function of this system has been to secure Latin American support for the United States policy of preventing extra-

Professor Connell-Smith holds the Chair of Contemporary History at the University of Hull. A specialist in the international relations of the Americas, he has made a number of visits to Cuba since the revolution.

continental powers from 'intervening' in the affairs of the western hemisphere.[1]

Among the countries of Latin America, Cuba, occupying a strategically important geographical position at the entrance to the Gulf of Mexico and only ninety miles from the shores of Florida, has long been of particular concern to the United States. Until the Cuban revolution the island was dominated both economically and politically by its giant neighbour, who still maintains a naval base (Guantánamo) on its territory. Yet this small country, so closely tied to the United States, was to be the instrument through which the latter's greatest rival was to introduce its system into Latin America in defiance of the Monroe Doctrine.

Since Fidel Castro's alignment with the Soviet Union, Cuba has played a role in world affairs unprecedented for a Latin American country. The Soviet challenge, so close to United States territory, at once made Cuba a focal point in the Cold War. When, in 1962, the Russians introduced nuclear missiles into the island, the world faced its most serious crisis since the end of the Second World War. But not only did the Cuban revolution give the Soviet Union a foothold in Latin America; it also aroused the interest of the People's Republic of China, whose leaders entertained hopes of winning over Castro and promoting pro-Chinese revolutions elsewhere in the region. Thus Cuba came to be involved in the Sino-Soviet dispute as well as in the rivalry between Russia and the United States. Meanwhile, Castro's government was developing its commercial relations with Western industrialized countries and Japan, which were not averse to taking advantage of opportunities offered by the virtual ending of United States trade with Cuba. At the same time, Cuba has played a prominent role among countries of the Third World, and especially in the 'struggle against colonialism'. This last has been highlighted by its involvement in Africa, though Castro's policy in Angola and other parts of the continent has received considerable Soviet support. Within the western hemisphere, hostility between revolutionary Cuba and the United States has weakened the inter-American system and the special relationship between the two Americas. For considerable resentment was aroused in Latin America by United States pressure to secure support for its policy towards the Castro government and its several interventions to forestall further revolutions in the region. Encouraged by Cuba's example in this regard, other Latin American countries have taken steps to broaden their international relationships outside the western hemisphere, including the development of commercial relations with members of the Communist system.[2]

[1] For background information on the inter-American system, as well as analysis of the Cuban issue in the OAS, see Gordon Connell-Smith, *The Inter-American System* (London: OUP for RIIA, 1966).

[2] i.e. the system of international relationships between countries having Communist governments. Such countries in Eastern Europe form the nucleus of

A Soviet puppet?

In the last twenty years, then, Cuba has played an unusually active international role for such a small country—especially one located in a region traditionally on the sidelines of world affairs. But has it done so as a mere puppet of the Soviet Union, and not as an actor in its own right?

Such certainly has been the contention of the United States, whose leaders have always maintained that Castro 'betrayed the revolution' and handed his country over to the Russians. This accords with the traditional view of the United States that its weak neighbours must be under either its own control or that of its potential enemies: hence the Monroe Doctrine and the establishment of its hegemony over Latin America. It accords also with Cuba's historical experience of exchanging the status of Spanish colony for that of United States satellite following the Spanish-American War of 1898. In other words, the Cuban revolution has brought another change of patrons, and not true independence. But in an important sense the United States contention has been self-validating. A genuine revolution in Cuba necessarily involved the end of the privileged position hitherto enjoyed by the United States in the island's affairs. If Castro was determined—as the event proved he was—to carry out such a revolution, he could survive the ensuing United States hostility only by securing the support of an extra-continental power.[3] That power had to be the Soviet Union, for which the Cuban revolution offered an opportunity—previously only dreamed of by its leaders—of challenging the United States in its own sphere of influence. Thus was Cuba to move inexorably from the inter-American system into that of the Soviet Union.

At first the United States could not accept the permanence of the Cuban revolution. But its leaders shrank from openly invading Cuba to overthrow Castro, and tried to achieve the desired end through diplomatic and economic pressures.[4] A trade embargo was imposed upon the island and efforts were made to secure the support of allies in making the isolation of the Castro government effective.[5] The great majority of the other Latin American governments co-operated with the United States,

---

the 'Soviet system', which includes the Council for Mutual Economic Assistance (Comecon).

[3] Cuba needed not only protection against whatever military or political actions the United States might take to overthrow its government, but also new commercial relationships—above all, new markets for its sugar.

[4] There was, of course, the Bay of Pigs fiasco of April 1961, when the United States sponsored an invasion of the island by Cuban exiles. Much more recently, a United States Senate Select Committee report was published containing evidence of a number of plots conceived by officials of the Central Intelligence Agency (CIA) to assassinate Dr Castro and other Cuban leaders.

[5] The stated objective of 'isolating' Cuba was to limit its ability to 'subvert' other Latin American governments. It also aimed to make sustaining Castro as expensive as possible for the Soviet Union.

but their ties with Cuba had never been very significant. Allies outside the western hemisphere, however (as has already been noted), were not prepared to do so. Cuba was able substantially to broaden its international relations with non-Communist countries and, most importantly, its trade with them. It became Canada's principal customer in Latin America, while Japan and Spain have been its most important trading partners outside the Communist system. Cuba's ability to import machinery and other goods from non-Communist industrialized nations has depended crucially upon the production of sugar and its price in the world market. Thus, when the world price of sugar rose to over sixty cents per pound in 1974, there was a spectacular increase in Cuba's trade with those countries. The dramatic fall of the price in 1976 brought a severe reduction in the import of advanced equipment from them, causing a serious cut-back in Cuba's five-year development programme.

Cuba's dependence upon the Soviet Union, and the importance of its trade with other members of Comecon, were therefore confirmed. Nevertheless, any hopes United States leaders may have entertained of Russia's being persuaded to dispense with such an expensive 'client' were unfulfilled. While not disposed to encourage a 'second Cuba' in Latin America, the Soviet Union by now was too deeply committed to sustaining Castro, and would lose enormous prestige in world affairs should it abandon him.[6] Not that relations between Cuba and the Soviet Union since 1959 have been uniformly friendly. In the early years of the Cuban revolution, the Russian leaders were very cautious about accepting it as 'socialist', and thereby incurring the obligations of support—and attendant risks—that would follow. They suspected Castro's ideological position, and regarded his militant call for revolutions in other parts of Latin America as unrealistic and needlessly provocative to the United States.[7] Relations between Havana and Moscow were strained by the missile crisis, the resolution of which, over Castro's head, seemed to confirm the assertion that he was no more than a pawn in the whole affair.

In the following year, however, the Soviet Union signed a generous trade agreement with Cuba. Ever since the early 1960s, in fact, long-term arrangements between the two countries have insulated Cuba from the extreme fluctuations of the world sugar market. The Soviet Union has bought Cuban sugar at prices significantly above those of the world market for most of this period, and it also has sold its exports to Cuba at generally low prices. In addition, since 1970 (the year of the failure of Castro's drive to achieve a ten-million ton sugar harvest), it has lent Cuba funds to cover its balance of payments deficit. Castro responded with firmer support for Soviet foreign policies, and by more closely

[6] To abandon Castro would be especially damaging in its dispute with China.

[7] For a useful analysis of relations between Russia and Cuba during most of the 1960s, with documentation, see Stephen Clissold (ed.), *Soviet Relations with Latin America, 1918–1968: A Documentary Survey* (London: OUP for RIIA, 1970).

identifying Cuba with the Communist system. By the mid-1960s he was paying little more than lip-service to the cause of armed revolution in other parts of Latin America. This was more to the liking of the Soviet leaders, who wanted to extend Russian influence in the region through developing relations with established governments. In 1968 Castro expressed support for the Soviet invasion of Czechoslovakia. In 1972 Cuba joined Comecon, and, three years later, a new constitution gave it political institutions comparable with those of the Soviet Union and the East European members of the Communist system.[8] By now Cuba was firmly on Russia's side in the Sino-Soviet dispute.

This had not always been the case. At first Cuba's relations with China were friendly, and Castro's revolutionary stance resembled that of the Chinese rather than the Russian leaders. China's hopes of using the Cuban revolution to promote its influence in Latin America were further encouraged by the coolness between Havana and Moscow immediately after the missile crisis. But Castro would not go beyond attempting to remain neutral in the increasingly acrimonious Sino-Soviet dispute, and his economic dependence upon the Soviet Union eventually ensured the Russians of his support. Early in 1966 he criticized the Chinese for failing to fulfil an important rice contract, and also accused them of interfering in Cuba's internal affairs. Relations between Cuba and China henceforth were generally to be cool, but recently they have become hostile. Cuba has bitterly attacked China for supporting the military government in Chile and groups favoured by the Western powers in Angola.[9] For its part, China has, among other criticisms of Castro's policies, described Cuban soldiers in Angola as satellite troops of Moscow.

Involvement in Africa

This description is not entirely a fair one. Certainly the Soviet Union has for some years shown a determination to increase its influence in Africa, and Cuba could not have sustained its activities there without large-scale Russian assistance. However, Cuba's role in Africa has not been one merely of carrying out Soviet policy: there have been common objectives. At an earlier stage, Cuban leaders displayed an interest in Africa which was, indeed, part of a revolutionary stance of which the Soviet Union disapproved at that time. For example, Che Guevara was active in the Congo in 1965, and Cuba's support for the Popular Movement for the Liberation of Angola (MPLA) goes back a long way. Cuban leaders often have emphasized the ethnic and cultural links between the people of Cuba and those of Africa, and Castro has described the Cubans as a 'Latin-African people'.[10] Cuba has enthusiastically espoused the

[8] There are important differences, however, notably those aspects embodying the personal role of Fidel Castro.

[9] The National Front for the Liberation of Angola (FNLA) and the National Union for the Total Independence of Angola (UNITA).

[10] See, for example, *Granma Weekly Review* (Havana), 2 May 1976, p. 3.

cause of African nationalism. Nor can it be doubted that Africa provided a more promising, and apparently safer, outlet for Castro's urge to export his revolution than did Latin America. And it has brought him no little prestige, since Cuba's intervention in Angola ensured the success of the MPLA, and helps to maintain it in power against guerrilla action by the defeated opposition. Cuba also contributed to Ethiopia's victory over Somalia in the Ogaden. The question now is whether Cuba (in concert with the Soviet Union) will undertake further major involvements[11] in Africa—especially in more immediately sensitive parts of the continent such as Namibia and Rhodesia—and, in that case, what the response will be not only of the Western powers, but also of those African countries such as Nigeria and Tanzania, which publicly have expressed approval of Cuba's role so far, yet must have misgivings about growing Soviet influence.[12]

Cuba's policy in Africa reflects not only its role in the struggle between the major powers, but also its affinity with the Third World. In fact, it embraces two roles. The concept of a 'Third World', whose members are drawn mainly from Africa, Asia and Latin America, emerged as a protest against the polarization of world affairs between the major powers ('non-alignment'), and stressed the fundamental division of the world into 'developed' and 'developing' countries (the 'North-South dialogue'). In spite of his close relationship with the Soviet Union, Castro has always identified Cuba with the Third World.[13] In the 1960s, he was very active in promoting 'Afro-Asian-Latin American Peoples' Solidarity', as his playing host to the Tricontinental Conference of revolutionary leaders in 1966 demonstrated. More recently, Cuba has been consolidating its position among the non-aligned governments. It has been able to do so because so many non-aligned countries still regard the United States rather than the Soviet Union as the principal 'imperialist threat' to themselves. Thus Cuba was able to surmount strong criticism of its Soviet-supported interventions in Angola and Ethiopia voiced at the conference of Foreign Ministers of the non-aligned countries held in Belgrade in July 1978. The sixth summit conference of the non-aligned movement is due to be held in Havana in September this year, after which Cuba automatically will be the movement's President for three years.[14]

[11] Cuba has supplied military and technical aid on a small scale to a number of other African countries and nationalist groups. The United States has accused it of supporting the Shaba rebels in Zaire, but Castro has denied this.

[12] For further analysis of Cuba's involvement in Africa and other related issues, see Gregory F. Treverton, 'Cuba after Angola', *The World Today*, January 1977.

[13] At the Belgrade conference of Foreign Ministers of the non-aligned countries, Cuba tried—unsuccessfully—to persuade the non-aligned movement to identify itself with the 'socialist countries'. See K. F. Cviic, 'Non-alignment's dilemmas', *ibid.*, September 1978.

[14] *Latin America Political Report* (London), vol. XII, no. 30, 4 August 1978, pp. 233–4.

Relations with Latin America

Cuba is not the only Latin American country to participate in the non-aligned movement, and a number of others attended the Belgrade conference.[15] The Cubans have contacts with other Latin American governments in many international organizations, although from early in 1962 they have been excluded from the inter-American system. In 1964 the Organization of American States imposed sanctions upon them: a measure which was not implemented by Mexico. Cuba had been condemned for acts of subversion against other Latin American countries, and notably Venezuela in 1963. When Castro's 'subversion' was reduced to little more than rhetoric in favour of armed revolution in the region, a feeling grew that sanctions were no longer justified. Some Latin American governments, including the Venezuelan, resumed diplomatic relations with Cuba in defiance of OAS resolutions. Eventually, in 1975, the OAS Foreign Ministers decided that members should be free to settle the matter for themselves. It is of interest that only one Latin American country, Costa Rica, has re-established relations with Castro since that decision. Not surprisingly, there is still considerable antipathy towards the Cuban revolution among the predominantly right-wing governments of the region.[16]

In spite of this antipathy, considerable resentment has been aroused in Latin America by pressure from the United States to secure compliance with its policy of isolating Cuba from the rest of the hemisphere. Even governments hostile to Castro regarded this pressure as intervention in their affairs. The issue of intervention has deep historical roots in inter-American relations, and stems, of course, from the immense imbalance of power between the two Americas. The question of Cuba has highlighted and exacerbated the essential division within the inter-American system. The United States, concerned, above all, with the challenge from 'international Communism', has seen the OAS primarily as an instrument for rallying Latin American support for its measures to meet that challenge; the countries of Latin America, preoccupied with problems of economic development, have hoped to secure through the OAS substantial aid and better terms of trade from the United States. Both parties have been disappointed. The Alliance for Progress, launched by President Kennedy in 1961, was an ambitious programme for Latin American economic and social development formulated in response to the Cuban challenge and stimulated by fears that revolution might spread to other parts of the region. Its failure increased Latin American disillusionment with the inter-American system.

In 1964, at the first United Nations Conference on Trade and Develop-

[15] Argentina and Peru were full participants. Bolivia, Brazil, Colombia, Ecuador, El Salvador, Mexico, Uruguay and Venezuela attended as observers.

[16] Yet, in recent years, Argentina has been an important trading partner of Cuba.

ment (UNCTAD), the countries of Latin America joined with the developing countries of Africa and Asia in demanding better terms of trade and economic aid from the industrialized powers. Subsequently, they formed with these other countries the 'Group of 77'. In 1975, the Latin American Economic System (SELA) was established, with Cuba as a member. Its programme is basically that of all developing countries: to transform their economic relations with the developed ones. SELA as yet is little more than an expression of aspirations, but its establishment has important implications for the future. Latin American governments supported 'The Charter of Economic Rights and Duties of States', adopted by the United Nations General Assembly in December 1974. Introduced by Mexico, and opposed by the United States and other leading industrialized countries, it is essentially a statement of the Third World position on major economic issues. These developments reflect a growing self-identification of Latin America with the Third World which clearly challenges the region's historic ties with the United States.

Thus the Cuban revolution and events which stemmed from it have given a powerful impetus to what has been called Latin America's 'new internationalism': a determination to break out of the limitations for so long imposed upon the region's international relationships by United States hegemony. This has so far manifested itself, above all, in the development of closer commercial relations with extra-continental powers, both non-Communist and Communist. Especially noteworthy, for example, are Latin America's trade with Japan and its expanding commercial relationship with China. Brazil, with its long-standing aspirations to become a world power, has been prominent in these developments—and, historically, it has been the most consistent ally of the United States within the inter-American system.

These developments should not be exaggerated. The United States still exerts considerable power and influence in Latin America. Relations with it remain of the greatest importance to all governments in the region, and crucial to not a few. United States policies are of considerable importance even to Cuba. Nevertheless, the traditional relationship between the two Americas—and the inter-American system which gives it institutional form—has been significantly weakened in the two decades since the Cuban revolution.

An historical process has begun which, on present evidence, is most unlikely to be reversed. Interestingly, a rapprochement between Cuba and the United States would further the process, since this could only be reached on the basis of a relationship very different from the one which existed before the Cuban revolution. In recent years, there have been a number of gestures on both sides indicating a desire to resolve differences. In September 1977, after a series of official and unofficial contacts—reportedly encouraged by messages, through intermediaries,

between President Carter and Dr Castro—'interest sections' were set up in Washington and Havana, in the Czech and Swiss embassies respectively: a modest step towards the resumption of diplomatic relations. But further progress has been prejudiced by Cuban activities in Africa, and Castro's vocal espousal of Puerto Rican nationalism. Moreover, formidable obstacles remain, such as the question of compensation for United States citizens whose property was expropriated by the Cuban government (with counter-claims from Cuba for the effects of the United States 'economic blockade'); and the future of the Guantánamo naval base, the relinquishment of which would be fiercely resisted in the United States, probably even more so following the Panama Canal treaties. Meanwhile, in November 1978, tension suddenly built up after a report that Russian MiG-23 aircraft, recently acquired by Cuba, might be capable of delivering nuclear weapons. The situation eased after the Soviet Union had given the United States assurances to the contrary.[17] But the episode was a reminder of the still significant role of Cuba in relations between the two leading world powers. That role for the foreseeable future will be as part of the Soviet system.

Whatever the future may hold, during the last twenty years Cuba has played a role in world affairs incomparably greater than before the revolution. It has done so under the patronage of the Soviet Union, which has underpinned both its security and its economic viability. But Castro has not been a Soviet puppet, as former Cuban leaders were clients of the United States. On a number of occasions, he has displayed a measure of independence, as, for example, in his refusal to permit international inspection to verify the removal of the Russian missiles in 1962, and later to subscribe to a nuclear test-ban treaty. The Soviet commitment to him, and his very strong personal position as a national leader who made his own revolution (comparable in this regard with Tito[18]), have given him leverage which has done something to offset Cuba's dependence upon the Soviet Union. But perhaps the most important factor in Cuba's international role during the years from 1959 to 1979 has been the extent to which its aspirations have coincided with what the Soviet leaders have judged to be Russia's interests. Whether this will be so in the coming decades is another matter.

[17] *The Times* (London), 18 November 1978; *Latin America Political Report*, vol. XII, no. 46, 24 November 1978, p. 368.

[18] As we have seen, United States policy has been to increase Castro's dependence upon the Soviet Union, not to encourage him to become 'another Tito'. Perhaps in due course the Americans will reverse this policy.

Portugal: democracy's balance-sheet

ROBERT HARVEY

The trend towards a left-wing dictatorship has been reversed, but Portuguese democracy is still frail.

THROUGHOUT the first 18 months after the coup of 25 April 1974, which toppled Portugal's 48-year-old right-wing dictatorship, the radical officers in the Armed Forces Movement gathered strength and seemed set to institutionalize a left-wing military regime. But in the summer of 1975, an anti-Communist uprising in the far north and mass demonstrations by Portugal's democratic political parties—the Socialists, the Popular Democrats and the Centre Democrats—brought the country to the brink of armed conflict. Moderate officers, led by Lieutenant-Colonel Ramalho Eanes, pre-empted such a conflict by ousting the radical soldiers in November 1975 and installing democracy the following year.[1] Another two years on, has democracy taken root?

The political contestants

The first item on the debit side of democracy's balance-sheet in Portugal is political instability. A look at the present parliamentary line-up gives little ground for optimism. The Socialists, with two-fifths of the seats, are the largest party. Together with the Communists they have enough seats to give a left-wing government an overall majority, but ever since the Communist party's bid for power in 1975, they have flatly refused to form a government with the Communists. Who can blame them? The Portuguese Communists remain unrepentant Stalinists. Last October their most moderate leader, Octavio Pato, told the present writer: 'Euro-communism does not respond to a political and geographical reality. We do not accept that it exists.' He also criticized the Spanish, French and Italian parties for being duped into attacking the Soviet Union's recent trials of dissidents. The Portuguese Communist party, he said, would never join in 'a hypocritical, imperialist, anti-Soviet campaign'. It is hardly surprising that Mario Soares, the Socialist leader, has steered

[1] For background, see Thomas C. Bruneau, 'The Portuguese coup: causes and probable consequences', *The World Today*, July 1974; Antonio de Figueiredo, 'The Portuguese dilemma', *ibid.*, February 1975; Thomas C. Bruneau, 'Portugal: the search for a new political regime', *ibid.*, December 1975; Antonio de Figueiredo, 'Portugal's free choice', *ibid.*, August 1976.

Mr Robert Harvey is on the staff of *The Economist* and the author of *Portugal: Birth of a Democracy* (London: Macmillan, 1978). This article is based on a lecture recently given at Chatham House.

clear of Stalinist allies like these in government. Yet because the two parties of the Left have a majority of the seats, it is impossible for the two right-of-centre parties, the Social Democrats and the Centre Democrats, to form a coalition without risking immediate defeat. This is why Soares, when asked, as leader of the country's biggest party, to form a government in July 1976, decided to play on his opponents' divisions by ruling alone.

Nevertheless, in December 1977, after 17 months in office, the opposition combined to throw him out. Following several weeks of wrangling, he managed to form a coalition with the most accommodating centre-right party, the Centre Democrats, last January. But in July, the Centre Democrats claimed that Soares had failed to keep his part of the bargain, in particular by not implementing a Socialist law to hand back to private ownership part of the land seized by Communist-controlled agricultural workers in the Alentejo in the south of the country. The Centre Democrats demanded the dismissal of the Minister of Agriculture, Luis Saias, and when the Socialists refused the Government fell. An inherently unstable parliamentary line-up, in which the Left has a blocking majority but cannot form a majority government, is thus the first card stacked against the survival of the young democracy in Portugal.

The army in politics

The second card is that Portugal's army has a tradition of intervention in politics unmatched even in Spain. The army was responsible for the coup which ended the country's troubled democracy in 1926. It was the army which installed Antonio Salazar as Prime Minister in 1932 and backed him and his successor, Marcello Caetano, for the next 42 years. It was the junior professional officers, reacting against the country's prolonged and unwinnable colonial war, who overthrew Caetano in 1974. It was they who, ignoring the results of the country's first free elections the same year, tried to impose their own left-wing military regime in 1975, and accelerated Portugal's economic decline. Only then did the rest of the army reluctantly take itself out of power.

It was possible for the soldiers to dominate the country for so long largely because Portugal lacked the developed middle class which has emerged in most of the rest of Europe. In 1975 the country's social structure was still feudal compared with that of the rest of Western Europe: only one-third of the nation lived in towns of over 5,000 people, most Portuguese dwelt in and around villages of less than 100 people, and more than half the labour force was employed in units of 10 people or less. Although Salazar's successor, Marcello Caetano, tried gradually to liberalize the regime and modernize his country by opening up Portuguese banking and industry to a modicum of new enterprise and foreign investment, it was too short a time to create a substantial middle class.

Democracy in Spain today is flourishing in the rich soil of a large middle class, and of an increasingly prosperous work force. In Portugal, the soil is much less fertile.

Economic factors

The economic conditions in which Portugal became a democracy could hardly have been worse. Before 1974, its economy had been over-dependent on colonial trade, while the pre-1974 boom was in precisely those areas—shipbuilding, petrochemicals, steel—which suffered most from the world recession of the mid-1970s. Inflation, already rising fast in 1974, took off to nearly 40 per cent in the wake of massive wage rises in 1975. In the same year, industry was virtually paralysed by workers' take-overs, nationalizations and the flight of foreign investment. Remittances from Portuguese workers abroad and tourist earnings vanished as the country plunged into confrontation between the armed forces radicals and the democrats. In addition, illegal seizures of land in the south by inefficient co-operatives caused this predominantly agricultural country's food account to plunge $400 m. into the red.

After 1976, the Socialist Government's largely ineffectual economic policies failed to correct a balance-of-payments deficit of over $1 billion. The position began to improve early in 1978, after the Socialist/Centre Democratic coalition introduced stiff economic measures to meet the prescriptions of the IMF. Now austerity is biting in earnest—real wages, which fell by 6 per cent in 1976 and by 8 per cent in 1977, are at present below their level in 1974, when they were the lowest in Europe; and unemployment, swollen by up to one million refugees from Portugal's old African empire, could be as high as a quarter of the work force.

Fragile props

Ranged against these political, military, social and economic factors that threaten the young Portuguese democracy are some buttresses to the new system—though none of them are necessarily permanent. The first is the popular groundswell against dictatorship that displayed itself both in the widespread euphoria which accompanied the coup of 25 April and in the sharp popular reaction in the summer of 1975 against the attempt by the radical captains to impose an extreme-left military dictatorship. Popular support for democracy proved to be overwhelming in 1975 and 1976, when nearly the entire Portuguese electorate turned out to vote, three-quarters of them for democratic, middle-of-the-road parties. But two years after the installation of democracy, the voters have had to suffer mounting hardships with little respite in sight. They have seen two ineffectual governments fall, and a third fail to be confirmed in office while the political parties are engaged in byzantine and, to them, incomprehensible political manœuvres. Some of the people, quite

naturally, are beginning to look back to a mythical golden age before 1974, when order was guaranteed, the economy was stable, and the country was ruled by stern patriots, not apparently governing in their narrow party political interests. In Lisbon today, the grumble on many lips is: 'It wasn't like this under Salazar.' In these circumstances, Portugal's most aggressively unrepentant ex-colonial commander, General Kaulza de Arriaga, has recently founded the uncompromisingly named Party of the Portuguese Right (*Partido da Direita Portuguesa*) to contest the next election. The party will probably get minimal support. But apathy has set in where most Portuguese were once unabashed champions of democracy, and that is always dangerous.

A second prop to democracy also being eroded is the reluctance of Portugal's soldiers, having burnt their fingers so badly, to interfere again in politics. Paradoxically, on the surface, the involvement of Portugal's armed forces in politics has never seemed so slight. Some left-wing members of the original Armed Forces Movement, such as Melo Antunes and Vitor Alves, still have a small enclave of influence enshrined in Portugal's Constitution—their seats on the Council of Revolution. The Council is an advisory body to the President, which was set up in 1976 as a successor to the Supreme Revolutionary Council, the body of soldiers that effectively ran Portugal during the revolutionary experiment of 1974–5. But the left wing on the Council, led by Major Antunes, is now effectively outnumbered by the right wing, led by Commander Costa e Neves, who would like to see it abolished. And the President takes increasingly less notice of its advice.

Yet while the influence of the left-wing officers shrinks, the largely non-political professional soldiers who ousted them are for the first time beginning to grumble about the direction of Portuguese politics. They, too, are worried about Portugal's failure to turn the corner economically, and about the squabbles of the politicians. Even allowing for military hyperbole, which in Portugal is considerable, it was a little alarming to be told by one of the leading right-wing members of the Council of Revolution that, unless Portugal's decline was reversed within a year, the army would have to act against the politicians.

One of the main restraints on action by the army—and this is the third buttress to Portugal's democracy—is concern that a coup would provoke a hostile reaction in the rest of the world. The Portuguese want to join the European Community largely because it would restore the international role they lost with the dissolution of their African empire in 1975. They also hope that the country's declining labour costs will make it competitive within the EEC once Community tariff barriers are down. The officers who might be tempted to intervene in Portuguese politics are fully aware that the doors of the EEC would slam shut if anything resembling a military coup took place.

Portugal is also a member of Nato, which has been trying to keep the Portuguese army's hands full by providing military aid and equipping a new Portuguese 'air portable brigade' for use on Nato's southern flank. The Portuguese might not lose their membership of Nato if a coup were staged: both Portugal and Greece remained Nato members under their old dictatorships. But they would probably lose much of the aid now flowing in from the Atlantic alliance. Portugal's soldiers hesitate, too, because they feel that nothing would serve the propaganda of the Soviet camp better than a military coup in Portugal, which could be exploited as a Chilean-style showcase of reactionary oppression.

The President's role

The final prop to democracy—in fact the linchpin which holds the whole structure together—is the President, General Antonio Ramalho Eanes. As an unknown lieutenant-colonel, Eanes led what the Portuguese call the 'operational' group of soldiers who put down the military uprising in November 1975 and ended the rule of the radicals in the Armed Forces Movement. He was made Chief of Staff, a job he used to cut the sprawling, disintegrating 200,000-strong Portuguese armed forces down to an efficient, disciplined force of 30,000 men. Overriding most of his military colleagues, he insisted that the army pull out of politics and hand over to an elected president and parliament in 1976. In gratitude, and in order to insure against a fresh intervention by the army in politics, the three democratic parties asked Eanes to stand as President, a post he won with 61 per cent of the vote in June 1976. Despite his key position as both the top man in the Portuguese army and the country's elected President, he chose not to use his immense reserve power for two years. Then, last September, alarmed by the increasing disaffection in the army with Portugal's squabbling politicians, he acted. Because the politicians would not agree on a new government, he decided to appoint an independent as Prime Minister—Alfredo Nobre da Costa, an industrialist who had once served as Minister of Industry under Mario Soares.

The parties reacted to this frontal challenge—the President had not even included Nobre da Costa's name on the list of potential prime ministers submitted to them—by declaring the Government unconstitutional. Mario Soares refused to allow members of the Socialist party to participate in it and voted against it. So did the Centre Democrats, who disapproved both of the manner in which the Prime Minister had been appointed and of some of the left-wing independents in the Cabinet. The Government was defeated in last September's vote of confidence.

At that stage, Portugal could have moved towards outright confrontation between President, backed by the increasingly vocal Right in the army but endowed with democratic legitimacy, and Parliament. Eanes could have renominated Nobre da Costa Prime Minister, as many of the

right-wing officers and members of the Social Democratic party were urging. The Government would almost certainly have been beaten. Early elections would have ensued in the coming spring. The right-wing officers would have hoped that a victorious electoral front would assemble behind the President—consisting of the Social Democrats who favoured the idea, the Centre Democrats who did not but risked electoral annihilation if they stayed outside, and independents like Nobre da Costa.

A government of compromise

Instead, on 25 October, Carlos Mota Pinta was chosen as Prime Minister. He had been a relatively innocuous former parliamentary leader of the Social Democrats, who resigned from his party because it was moving too far to the right. The President has gone as far as he can in placating the parties. The Socialists signalled in advance that Mota Pinto would be acceptable, while the Centre Democrats told the President that Mota Pinto was the candidate they preferred out of a list of 11. Barring a sudden change in attitude by the two parties, which can never be discounted in Portugal, Mota Pinto's Government seems likely to survive—perhaps right up to the 1980 elections—on Socialist and Centre Democratic support, which is enough to guarantee a majority in Parliament. The Social Democrats will be disappointed that early elections have been put off, and the Communist attitude to the Government will depend on its programme—but between them they lack the votes to bring it down.

Nomination of the new Government does not, however, resolve the problem of restraining Portugal's impatient right-wing soldiers. To do that, the Government will have to act with the vigour of the Nobre da Costa Government in two key areas—the economy and land reform. The Government's economic task is easier than most people make out since the hardest decisions have already been taken. Both Vitor Constancio and Silva Lopes, the two last internationally respected Finance Ministers, have been able to ram through the stiff deflationary package insisted upon by the IMF early last year. As a result, the balance-of-payments deficit in the middle quarters of 1978 was reduced ahead of IMF targets. Inflation has been kept down to a tolerable level in 1978—below 20 per cent after last year's rate of 27 per cent. Owing to successive devaluations of the escudo, and the surprising moderation, or perhaps weakness, of the Communist trades unions, the fall in real wages has been precipitous. The number of companies run by workers has been sharply reduced, and the Nobre da Costa Government was considering how to pay compensation for assets seized in 1975 in order to boost business confidence. Over the past year, also, the Government has broken with the Socialist policy of propping up the giant lame ducks of the state sector—shipbuilding, cement manufacture, petrochemicals, steel—and is switching resources to the private sector, which accounts for some nine-tenths of the country's

exports. The worst in Portugal's continuing decline since 1973 may already be past—provided the Government continues to pursue the policies begun last year.

Agricultural reform is considered by the Government a sine qua non of economic progress. The Portuguese are negotiating with the World Bank to draw up plans for running the southern Alentejo co-operatives according to strict cost-accounting techniques, and to introduce new investment to halt the alarming slump in production in the area since 1975. In order to do this, the Government must break the back of the Communists' political control of the co-operatives, and troops have been sent in to enforce a Socialist agricultural law which provides for 'reserves' from the huge estates seized by farmworkers in 1975 to be handed back to the original owners as compensation. Although the return of the reserves will have little immediate effect on agricultural production, the Government hopes that the enforcement of the law will eventually lead to greater efficiency in the co-operatives.

If the present Government is successful, military discontent is likely to be contained at least until the 1980 elections, at which the centre-right parties are confident of winning a majority between them. The main problem after that will be that of the Portuguese Constitution. Both parties would like to see the President being granted more clearly defined powers and presiding over the Council of Ministers along French lines. They would also like to remove some of what they consider to be the Constitution's anti-democratic provisions. However, a two-thirds majority is needed to amend the Constitution, drafted by a majority in the Constituent Assembly during the revolutionary period of 1975–6. The right-of-centre parties are thinking of holding a referendum, which is not provided for in the Constitution, but could give the 1980 assembly the power of amendment by simple majority vote. This may be unconstitutional, but is not undemocratic. The Socialists admit that they have lost much of their support today, but they still hope for a victory after a year out of government and believe that the proliferation of splinter right-wing parties now emerging will cream support away from the two main right-of-centre parties. Even so, they are unlikely to be in a position to form a government after 1980.

Portugal's democracy is still frail. Another bout of fractious behaviour by the parties, a weakening of resolve by the new Government, or even a change for the worse in world economic conditions could shatter it and bring the army in. But the two best guarantees against a right-wing coup are that government economic policies have already redressed much of the left-wing excesses of 1975, and that the electorate itself is moving democratically to the right. Portuguese democracy still looks as though it will survive, as it came into being, almost by accident.

ASEAN : the growth of an economic dimension

STUART DRUMMOND

Behind a network of economic activities, the five member countries are preoccupied with the issue of how to respond to the political challenges of the post-Saigon era.

THE Association of South-East Asian Nations was established as a result of the Bangkok Declaration issued on 8 August 1967 by the Foreign Ministers of Indonesia, Malaysia, the Philippines, Singapore and Thailand. It came into existence as part of the settlement ending Confrontation between Indonesia and Malaysia at a moment when relations between the member states were still very uneasy. The most important thing expected from it was that it would help to bury the past; to ask for anything more would have been unrealistic.

This was the period when the United States was seeking disengagement from Vietnam, when President Nixon told nations in the region to rely upon their own efforts and made his approaches to China. Such external problems clearly encouraged regional co-operation, and helped member nations to contain disputes among themselves, some of which were serious. The existence of an independent Singapore posed problems of adjustment, while Sabah was a major focus of conflicting ambitions. The Philippines seemed intent on pushing its claim in the late 1960s and as the Muslim separatist rebellion developed in Mindanao in the early 1970s it received considerable help from the Chief Minister of Sabah, Tun Mustapha. By this time, fortunately, the habits of co-operation had become established, and at the 1973 ASEAN Ministerial meeting at Pattaya, the issue was deliberately played down, with the Philippines thanking Malaysia and Indonesia for the assistance they had given it at the Benghazi Islamic Conference.

ASEAN's institutional arrangements were very simple. There would be an annual meeting of Foreign Ministers held in member states on a rotating basis, with a Standing Committee of ambassadors chaired by the Foreign Minister of the host country. An ASEAN Secretariat in the Foreign Office of each member state serviced the Committee and prepared the Ministerial meeting when its Government was host. There was not the smallest element of supranationalism, nor is there today.

Mr Drummond is Lecturer in International Politics in the Department of Adult Education at Southampton University. He visited South-East Asia during August 1978 with the assistance of the Nuffield Foundation.

There was not even a meeting of heads of government until 1976. This low-key approach was inevitable since the members were at the stage where they were learning not to confront each other, and to put their common needs before individual differences.

ASEAN tended to react to problems rather than to take the initiative. Nevertheless in 1971 it produced a new formula for international relations in the region, the concept of a Zone of Peace, Freedom and Neutrality, designed to prevent the region becoming a battleground for the great powers. Admittedly, interpretations of the concept vary considerably within ASEAN, and after the Sino-American détente differences between members completely frustrated Malaysia's proposals for a joint approach to China. Eventually it was left to individual states to decide their attitude. During 1975 and 1976 Malaysia, the Philippines and Thailand established diplomatic links with Peking, but Indonesia has still not seen any good reason to unfreeze its relations with it, while Singapore has always said that it will be the last ASEAN country to agree to an exchange of ambassadors. Although the emphasis in this article is on the development of economic relationships, most of those who are involved in ASEAN or are its close observers stress its political purpose. But they add that this cannot be openly admitted for fear of being accused of ambitions to replace SEATO, and that it has been necessary to build up an economic organization to give coherence to the association. They see the activities since the 1976 Bali summit as partly an economic screen behind which the five are preoccupied with the real issue—how to respond to the political challenges of the post-Saigon era.

Whatever the motivation, once it had been agreed, the economic structure took on a life of its own. Although some in Thailand and particularly Singapore would say that the tentative moves into the field of economic co-operation amount to very little, it would be naïve to expect more from an association of an advanced city state, three relatively small nations beginning to develop and a very large archipelago still facing formidable problems of development.

The road to Bali

Between 1970 and 1972, a UN team under Professor Kansu carried out a study of the potential for economic co-operation within ASEAN. It argued that the region produced a high percentage of the world's raw materials for export but that its earnings from this would not cover its import requirements and that industrial development was needed to fill the gap. Three policies to facilitate this were put forward. The first was the liberalization of trade and the ultimate creation of a free trade area. It was pointed out that intra-ASEAN trade was only 15 per cent of total trade and much of this was Singapore's entrepôt trade and its traditional trade with Malaysia. The second was for 'complementarity agreements' to be

worked out with private industry and assisted by measures of tariff protection, i.e. agreements on the making of specific components by members to be assembled into an ASEAN tractor or other manufacture. Finally, the UN study advocated joint ASEAN projects. There was no immediate response to these proposals, but in 1974 the seventh Foreign Ministers meeting accepted a proposal from Singapore to look at ways of promoting industrial co-operation.

Somewhat greater progress was made in the establishment of international links. Negotiation for British entry into EEC had produced the Declaration of Intent, committing the enlarged Community to finding some form of compensation for Asian Commonwealth countries for loss of preferences. It was understood that whatever solution was found for Malaysia and Singapore would apply to all ASEAN states. The device agreed on between the EEC and India, the Commercial Co-operation Agreement, was rejected in favour of a Joint Study Group (JSG), which was felt to be more flexible for an organization still at an early stage of development. In the wake of the Soames delegation's visit to Jakarta in October 1974, the JSG was set up to '. . . serve as the mechanism through which to explore all possible areas where co-operation could be broadened, intensified and diversified, giving special consideration to the development needs of the ASEAN countries and bearing in mind the situation in EEC'. The JSG, a body set up by the European Commission with ASEAN, is flexible, but its decision-making powers are limited. As a result it has been able to do little in the area of industrial co-operation but discuss matters and act as a post box for the joint ventures put forward by ASEAN. Schemes for trade promotion have been produced and the EEC has assisted trade delegations and helped arrange facilities at trade fairs. The Generalized System of Preferences (GSP) has been a major subject for discussion and ASEAN has been able to get significant concessions. There have been only four JSG meetings since 1975, which obviously has limited what could be done.

Other international links were established in 1974 and 1975. An ASEAN-Australian 'dialogue' was formally inaugurated in April 1974, and one with New Zealand the following year. In each case, areas of economic and technical co-operation have been agreed upon, and in some instances have already produced some results. For instance, the ASEAN-New Zealand dialogue has resulted in a report on the end uses of timber, and it is hoped that a joint venture with New Zealand will follow. With Canada a formal dialogue was not established until 1977. The US made informal approaches in January 1975. With regard to Japan, concern expressed at the Pattaya Ministerial meeting about 'the indiscriminate expansion of [its] synthetic rubber industry' had led to the establishment of the Synthetic Rubber Forum in November 1973, but nothing else happened until after the Bali summit.

Virtually all of this development was due to initiatives or stimuli from outside. There were those in ASEAN who would have liked to be more positive, but as Lee Kuan Yew said in opening the 1972 Singapore meeting, it had to be reluctantly accepted that 'ASEAN did not for the present aim at integrating a regional economy.' However, in 1973, the Ministers at last agreed in principle to establish a central Secretariat, and in the following year affirmed that ASEAN was 'presently entering its second stage of co-operation [and] should now embark on a more substantial and meaningful collaboration'. They turned to the three areas indicated by the UN study as promising, but progress in coming to any conclusion was slow.

The Bali summit and its consequences

The fall of Saigon on 30 April 1975 marks a watershed in South-East Asian history. For ASEAN it meant that it had to compete economically with the victorious Communist power, and to show that its members could collaborate more effectively than Communist countries. It was, nevertheless, far from certain throughout much of 1975 that ASEAN would rise to the occasion. The eighth Ministerial meeting at Kuala Lumpur endorsed the establishment of a Secretary-General, but he was to head a secretariat intended to service a largely unchanged organization, not to be the motor of a re-vamped model. Throughout the year there were rumours of a political or even an embryo military organization, but although such ideas seem to have been discussed at some length, it was always improbable that anything would be agreed along those lines. Instead, the organization would move into the 'second stage' promised in 1974—though not without some serious last-minute hesitation by Indonesia. In public, the Philippines was the pace-maker, constantly calling for a free trade area and for industrial collaboration, but behind the scenes Singapore was the most insistant on the need for concrete decisions in the economic field. Lee Kuan Yew's meeting with Suharto in September 1975 was of great importance, but it did not resolve all the problems. Indonesia's reservations abour tariff reductions, which produced something of a crisis in November, do not seem to have been resolved until just before the summit.

The Bali summit, the first meeting of ASEAN heads of government, was held from 23 to 25 February 1976, and resulted in a number of agreements being signed. The Treaty of Amity and Co-operation which replaced the ASEAN charter of 1967 was little more than a statement of aims and hopes. It committed members to accelerated economic growth and to 'appropriate regional strategies for economic development and mutual assistance'. However, it also moved tentatively into areas of political co-operation and security, notably in Article 11 where members promise to 'strengthen their national resilience in political, economic,

socio-cultural as well as security fields', and in Article 12 where they talk of 'efforts to achieve regional prosperity and security' and of co-operation 'in all fields for the promotion of national resilience'. The language echoed the Indonesian doctrine of national resilience, and the implication was that ASEAN could not develop and live in peace and freedom without a strong political will and, equally important, a strong economic base. Chapter IV of the Treaty established procedures for the peaceful settlement of disputes. Member states are to form a High Council which shall recommend appropriate ways of dealing with disputes or alternatively proffer its good offices, act as a mediator, or as a conciliator; but for this machinery to be set in operation the agreement of both contending parties is required.

The provisions in the second document, the Bali Concord, for greater political co-operation were rather more specific, though much repeats the sentiments of the Treaty. Two clauses are worth noting. One states that intra-regional disputes should be settled as soon as possible, and in response President Marcos announced at the Kuala Lumpur summit in 1977 that he was taking definite steps to end the claim to Sabah. These steps have been hesitant, but it is unlikely they would have been made at all without Bali. The other is the call for members to harmonize their views, co-ordinate positions and, where possible, take common actions. It has become almost automatic for ASEAN members to attempt to harmonize their views, particularly in multilateral negotiations.

Under the heading of economic co-operation, the most important agreements in the Bali Concord covered basic commodities, ASEAN industrial projects, and the establishment of a preferential trading arrangement (PTA). On basic commodities, ASEAN states will, in principle, accord priority to supplying other states with food and energy requirements, i.e. rice and petroleum products, and some considerable progress has been made in establishing appropriate machinery. The principles of the ASEAN industrial project are that it should be on a large enough scale to meet the needs of the region, to produce economies of scale and possibly to be exported, that member countries join in financing it, and that they give a preference to its products. Five have been designated, although all has not run smoothly. The Indonesian project is a urea plant linked to the North Sumatran gasfield, while Malaysia's is a similar plant on the Bintulu gasfield in Sarawak. In spite of fears of overproduction of fertilizer in the region, these have been approved. Thailand's project is a soda-ash plant based on rock-salt deposits in the north-east, a feasibility survey of which was completed in August 1978 and for which Canada has since offered assistance. There are, however, problems about the Philippines project for a superphosphate plant and the Singapore one for a diesel engine plant. The Philippines plant was to be linked to a copper smelter, with the sulphur by-product being used in

the superphosphate plant, but there are doubts about the smelter. The problems facing Singapore are different, for here Indonesia proved unwilling to be permanently dependent on the island for general purpose engines, and the Economics Ministers then modified the scheme in September 1977 with protection being given only to engines over 200 h.p., and in the case of Indonesia over 500 h.p. Singapore showed its displeasure by declining to invest more than a token 1 per cent in the Malaysian and Indonesian plants (the standard pattern was to have been for 60 per cent of investment to be from the host country and 10 per cent from each of the others), and there were suggestions that it might build the general purpose diesel engine plant outside the ASEAN project framework.

Singapore has been generally critical of ASEAN's progress in the economic field. It had wanted to move towards a Common Market, but given Indonesia's total opposition settled for a PTA and was possibly fortunate to achieve that. Its wish for faster progress is shared by Thailand and the Philippines which at the same time appreciate Indonesia's real anxiety at moving too fast from behind its protective barriers. So far there have been two rounds of tariff reduction (or preference creation) which cut tariffs on imports from ASEAN by 10 per cent and affected 71 and 755 items respectively. Each country is to offer 100 items at each future round and, since these will be three-monthly, 2,000 items will be added to the preferential list each year. It should, of course, be borne in mind that a 10 per cent cut in a tariff of 60 per cent still leaves protection at 54 per cent and provides a very tiny preferential margin in any case. The effects of the PTA on intra-ASEAN trade are to be studied by the United Nations Development Programme (UNDP). Much of what has been done may seem largely symbolic, but symbols have a way of becoming reality. Discussions have taken place about a second group of ASEAN industrial projects, and Singapore has agreed to make a token 1 per cent investment in the first group, rather than weaken the whole concept by a boycott.

Developing relations with third parties

One important factor in this decision was that Singapore's abstention might well have led to the Japanese withdrawing their offer of aid. Japan has always been involved in ASEAN as the major trading partner and most important source of investment funds. Since August 1977 when Mr Fukuda promised a new deal, Japan has become involved on a governmental basis. It has offered $1000 m. of investment to help launch the industrial projects and also to finance an ASEAN export-earnings guarantee scheme, although it is unclear what commodities would be covered. One version has it that it is likely to limit its offer to those commodities where it is the dominant importer, e.g. timber, bauxite, nickel

and copper ores, rather than products like rubber and tin. It does seem that Japan is anxious to establish good relations with ASEAN, although there is deep suspicion of the Japanese and their motives throughout South-East Asia.

In contrast, there have been bright hopes of the US and EEC, despite two formal ASEAN-US meetings which have produced very little in practice. The United States GSP excludes Indonesia as a member of OPEC and, unlike the EEC, its regulations on cumulative origin offer little to ASEAN products which may originate in one country and be processed in another. However, after the August 1978 meeting, there was a certain euphoria in ASEAN countries about the US commitment to the establishment of a Common Fund. This is a matter of particular interest for the four agricultural members of ASEAN.

But, generally, it is the EEC which evokes the greatest enthusiasm in ASEAN, despite the fact that trade with the Community is appreciably less than with Japan, and EEC investment in ASEAN countries less than that by Japan or the US. The feature which is particularly appreciated is the EEC system of preferences which offers more to ASEAN than any other nation's, and as much as can be expected in a period of high unemployment. Indonesia, which benefits less than the others, sees Western Europe as a potential supplier of manufactures: like all ASEAN nations, it is not anxious to become dependent upon Japan, South Korea and Taiwan. Indonesia is also keen to get investment funds and hopes that the industrial co-operation conference due to take place in Jakarta in February 1979 will result in concrete agreements. This will be a follow-up to the 1977 Brussels Conference, which has been criticized as having been too vague and dominated on the European side by firms wishing to sell plant and expertise. ASEAN is determined that 1979 will be different, and will certainly present a number of specific projects and packages for joint ventures.

ASEAN's concern to strengthen its relationship with EEC has led in the past year to two dialogues in which COREPER joined the Commission for talks with the ASEAN ambassadors. The first joint meeting of Foreign Ministers took place on 21–22 November 1978. ASEAN may have hoped originally that this would launch a broader approach to economic co-operation, but it seems to have accepted the present limitations and to have used the opportunity to warn about protectionist trends in the Community. EEC affirmed its long-term commitment to freer trade and to the setting up of a Common Fund, while promising to explore further means of stabilizing export earnings. It was hardly a moment for grand gestures, but an EEC office is to open in Bangkok and ways of placing the relationship on a more formal footing will be discussed.

In coming to some interim conclusions, a measure of scepticism about

the PTA and the ASEAN industrial projects seems justified. What cannot be denied is that the world has taken ASEAN very seriously since Bali—as shown by its negotiations with the major trading countries and associations of the developed world. In addition, there is the striking interest of the Communist powers who have vied with each other during the last few months of 1978 in their courtship of ASEAN, even showing a willingness to revise their judgements about its character to the extent of apparently accepting that their policies might be compatible with ASEAN's Zone of Peace, Freedom and Neutrality. ASEAN members have reacted with a certain reserve, well aware that this enthusiasm is a function of the various disputes between the Communist powers, but nevertheless pleased at these developments. They remain concerned at the possibility of renewed violence and instability in the region but, given their own cohesion, they must feel relatively secure and confident as they observe the disunity and enmity between their rivals.

PRINTED IN ENGLAND BY POPPER & COMPANY LTD, WELWYN GARDEN CITY, HERTFORDSHIRE

THE WORLD TODAY

Founded in 1945, THE WORLD TODAY is issued under the auspices of the Royal Institute of International Affairs and published monthly by the Oxford University Press.

ANNUAL SUBSCRIPTION (12 issues a year)

Including postage inland and overseas

UK £7

US $20 (by accelerated surface post)

Elsewhere £9

Single copies 70p ($2) post free

Orders may be sent to booksellers and newsagents or to the Oxford University Press, Press Road, Neasden, London, NW10 0DD Telephone 01-450 8080

The Royal Institute of International Affairs is precluded by the terms of its Royal Charter from expressing an opinion of its own on any aspect of international affairs. Any views expressed in this publication are, therefore, the responsibility of the contributors.

ISSN 0043-9134

THE WORLD TODAY

The Royal Institute of International Affairs

CONTENTS

EDITOR: LILIANA BRISBY

February 1979
Vol. 35. No. 2

Manuscripts and correspondence should be addressed to the Editor, *The World Today*, The Royal Institute of International Affairs, Chatham House, 10 St James's Square, London SW1Y 4LE.

Notes of the month

THE CRISIS IN IRAN

AFTER weeks of rumour and uncertainty the Shah of Iran finally left his country on 16 January 1979, and few people think he is ever likely to return. Perhaps the only chance of the dynasty surviving now depends on Iran being plunged into such chaos that the Shah's return, or the installation of the Crown Prince who comes of age in late 1980, are seen as the only alternatives to disintegration. Writing so close to complex historical events is never easy, and with the Pahlavi dynasty still the legal regime of Iran a political epitaph is premature, but an interim account of the collapse of the Shah's rule can be attempted.

Having successfully weathered the Mosaddeq crisis of 1951–3 and the less serious challenge to his 1962–3 land reform programme, the Shah had consolidated his power by 1965 and was determined not to tolerate any further opposition. Savak, the secret police organization established under CIA tutelage in the late 1950s, was given almost unlimited power to nip any kind of subversion in the bud, and almost all potential focuses of criticism or discontent were emasculated. This included Parliament, the press, cultural organizations and the judicial system.

A seat in the Majlis (Lower House) became a mere sinecure and its sycophantic debates were usually too boring for the muzzled press to report. Half the Senate were by law appointed by the Shah, and by 1967 the only political parties functioning openly were the ruling party, *Iran Novin*, the loyal opposition, *Mardom*, and the ultra-national Pan-Iranists.

Outside the formal political scene, things were little different. Censorship covered not only the press but also films, books and plays. A publisher who commissioned a translation of Molière's *Le Misanthrope* was asked to send the author to the censor's office, and among the political prisoners recently released after several years in Savak jails is an entire amateur dramatic company which dared to stage a play with political overtones. University students were screened for their political beliefs before admission and monitored during their studies through a network of informers. Every company or organization of any size was infiltrated. The civil courts lost their independence and fell under the control of the Minister of Justice, a royal appointee, while all cases involving public order or politics were dealt with, usually summarily, by special military courts.

Less ominously, but as an essential part of this policy, the entire nation was subjected to a decade of monarchical brain-washing that started at primary school and was particularly strong in government organizations. At its peak, no official's desk, no shop wall, was complete without its portrait of the Shah, and every speech, editorial and book preface had to have its reference to the Monarch. As the cult of the personality and of the monarchy grew, it became almost obligatory to use the Shah's title 'Shahanshah Aryamehr' ('King of Kings, Light of the Aryans') usually prefixed by His Imperial Majesty. More seriously, history was rewritten to account for, or eliminate, unpleasant ghosts from the past.

The Shah's regime certainly had its enemies, but they were few. Among them were some of the clergy, although not enough is known of their precise motivation. Fear of losing their former social influence and their income from endowment land probably played a role, but it seems that at least part of their opposition was due to distrust of the Shah's motives in modernizing society and the economy, and a feeling that excessive Westernization was dangerous. Other opponents included Marxist and Islamic guerrilla groups, former politicians of Mosaddeq's National Front and, mainly in exile, the bitterly divided and Savak-infiltrated Communist Tudeh Party, as well as the anti-regime Confederation of Iranian Students abroad.

The bulk of the population, however, seemed to thrive on their diet of bread and royal circuses, particularly when they increasingly found jam on their bread. For in the mid-1960s the Iranian economy, fuelled by rising oil revenues and the confidence placed in it by multinational corporations entered a period of rapid economic growth that was to last for about a decade. This growth, accompanied at first by low rates of inflation, enabled serious imbalances and distortions in the economy to go unchecked for several years.

The most dangerous crisis in the making was in agriculture. Without the expropriated landlords to provide essential capital inputs, the peasants turned smallholders failed to increase production, and many were lured to the towns by attractive wages as unskilled labourers. Some were actually dispossessed by state-sponsored 'farming corporations' or foreign leaseholders in giant agro-businesses that never quite took off. Agricultural production levelled off well below spiralling demand, forcing prices up and quality down at the retail level and making Iran, perhaps irrevocably, dependent on food imports for the first time in its history.

The quadrupling of oil prices at the end of 1973 was widely hailed as a victory for the Shah that would soon make Iran one of the world's richest countries. The already over-ambitious Fifth Five-Year Plan was hurriedly rewritten to include practically every project or objective the executive agencies could dream up, many of them in fact unfulfilled aims

of the Fourth and even Third Plan. The aim was to spend the new oil wealth on development as fast as possible,[1] but such problems as inflation, manpower shortages and inadequate infrastructure were ignored. Billions were spent, often unwisely or wastefully, leading to massive port congestion, huge personal fortunes, often ill-gotten and totally untaxed, while inflation on a scale not known since the war created growing discontent among the urban poor and middle classes. At the same time, vast sums were spent on arms, as Iran became the United States' chief ally and main trading partner in the Middle East.

Just when the Shah should have seen that his dream to rush Iran into the Great Civilization he had promised his subjects would have to be postponed because of economic difficulties, he appeared to take leave of his political senses by turning Iran into a totalitarian state through the formation of a single party called *Rastakhiz* (National Resurgence). His proposal was eagerly accepted by his ministers and courtiers, but the general public did not share their enthusiasm and most memberships were taken out in block-form through organizations in the public and private sectors. It was hard to refuse to join when the Shah had proclaimed that every 'true' Iranian believed in the three pillars of the party —Monarchy, Constitution (which neither of the two Pahlavi Shahs had ever observed properly) and Revolution (the name given to the Shah's largely cosmetic reform programme). Those who did not believe in any of the pillars were free to emigrate at the Government's expense. (The only applicant was deemed insane.)

Major power cuts, food shortages, 40 per cent inflation and a housing crisis intensified the public dissatisfaction with the Government's handling of the economy and encouraged political protest. A series of open letters criticizing the system was followed, in the autumn of 1977, by student demonstrations during the Shah's visit to Washington, in Iran as well as the United States. Full-scale opposition in the form of demonstrations and strikes began early in 1978 and was met throughout the year, except for a brief interlude during the summer, by heavy police and military repression. The worst single incident occurred on 8 September (Black Friday), soon after martial law had been declared, when some 700 persons were machine-gunned to death in Tehran's Jaleh Square, but similar incidents on a lesser scale were frequent.

The main feature of this remarkable year was the complete lack of leadership shown by the Shah in the face of mounting public hostility, countered by the growing popular support for the Ayatollah Khomeini, a leading anti-Shah theologian exiled since 1964, who was virtually

[1] For an official view of Iranian development strategy, see Abdol-Majid Majidi, 'Iran 1980–85: problems and challenges of development', *The World Today*, July 1977. Research conducted under the auspices of Chatham House is the basis of an assessment by James Bedore and Louis Turner, 'The industrialization of the Middle Eastern oil producers', *ibid.*, September 1977.

unknown to the general public a year earlier, but now established himself as the spokesman for a militant religious revival.

Most observers feel that if the Shah had taken more positive action earlier, either by instituting genuine reforms and constitutional government, or by using repression more skilfully, Iran could have been stabilized early in 1978, thus avoiding the bloodshed, destruction and chaos that have marked what is most probably the final year of the Pahlavi dynasty.

ROGER COOPER

DISARMAMENT AT THE UN GENERAL ASSEMBLY

THE big question at the 33rd Session of the UN General Assembly which ended in December was: how far could the consensus achieved in the Final Document of last summer's Special Session on Disarmament be translated into agreement on the specific measures of arms control and disarmament to be negotiated? Some countries, including Britain, were also anxious to stimulate progress on the important ideas (such as non-proliferation, reduction of military budgets and limitation of conventional arms) which were not universally accepted.

As recommended by the Special Session, the First Committee of the General Assembly was divested of its other responsibilities and for the first time concentrated its attention solely on disarmament. The emphasis at the Special Session on nuclear disarmament was reflected throughout the debate, with 15 resolutions on nuclear matters out of a record total of 42 adopted. Consensus was achieved on 18 resolutions.

The non-aligned countries as usual dominated the debate with 27 resolutions; Mexico and Sweden were the most prominent, introducing four resolutions apiece. Western countries were responsible for 11 resolutions, with Britain and France taking a leading part. The East Europeans played a more subdued role with four resolutions.

The Non-aligned

Sweden's new proposal for a study of nuclear weapons holdings as a platform for negotiations outside the strategic arms limitation talks was well received by the non-aligned, but the nuclear weapon states and their allies abstained. A popular Swedish/Mexican resolution called for a pilot test of the standard method for measuring military expenditure devised by the Secretary-General's group of experts as the basis for a reduction of military budgets. While Britain, Romania and a wide range of other states co-sponsored this resolution, the rest of the Warsaw Pact abstained

n the rather shaky ground that it was not necessary to measure military udgets before negotiating to reduce them. Sweden also introduced esolutions on arrangements for the UN Conference on 'inhumane' veaponry in September 1979 and the UN study on the relationship etween disarmament and development, which were carried by onsensus.

Mexico began with two consensus resolutions urging nuclear weapon tates to adhere to the Additional Protocols of the Treaty of Tlatelolco vhich establishes a nuclear-weapon-free zone in Latin America. Ratiications by France and the United States of Protocol I, and by the oviet Union of Protocol II, are still needed to make the Treaty more videly effective. Mexico also launched the resolution calling on the Jnited States and the Soviet Union speedily to conclude their negotiaions on a second strategic arms limitation agreement (SALT II), on vhich the East Europeans decided to abstain. Another Mexican resoution containing ideas for following up the UN Special Session was dopted by consensus, as was a similar Romanian one. A third general esolution of this kind from Yugoslavia found some countries abstaining ecause of certain clauses to which they objected, but there was general greement that a Second Special Session should be held in 1982.

Nigeria was the most prominent spokesman for Africa in the debate. Iowever, its strong resolution on the denuclearization of Africa unforunately contained proposals outside the disarmament sphere, and hree nuclear weapon states abstained. Two other Nigerian resolutions, n UN disarmament fellowships for officials from developing countries nd on the Disarmament Decade, were adopted by consensus.

Egypt fielded the resolution recommending a nuclear-weapon-free one in the Middle East, on which Israel abstained. Pakistan piloted a imilar resolution on a South Asian nuclear-weapon-free zone, which ndia opposed. Pakistan also introduced a resolution on strengthening the ecurity of non-nuclear-weapon states, on which the East Europeans bstained. India was responsible for two nuclear resolutions; one on a noratorium on nuclear testing was opposed by China and France, while he other on the non-use of nuclear weapons was opposed by a number of Vestern states because it would have had the effect of undermining the ystem of deterrence of aggression which maintains the peace in the Northern Hemisphere.

Vestern initiatives

In its capacity as a depositary power for the Non-Proliferation Treaty NPT) and the Biological Weapons Convention (BWC), Britain introluced resolutions setting preparations in hand for the two important eview conferences which are to take place in 1980. Britain also took the nitiative in drawing up with the Soviet Union a compromise draft reso-

lution aimed at preventing the development of new weapons of mass destruction based on new scientific principles. At the last moment, however, the Russians withdrew and submitted their own resolution advocating an 'umbrella' treaty, leading to unnecessary competition which many countries regretted. In addition, Britain co-sponsored five other resolutions from various sources, confirming its position as one of the leaders of the Western group.

The year had marked the return of France to the disarmament arena. Three of the organizational proposals by President Giscard d'Estaing at the Special Session were now framed in resolutions: the possibility of a disarmament/development fund in association with the current UN study, the need for an international disarmament research institute under the auspices of the UN, and the idea of a satellite verification agency. The first two were adopted by consensus; the third went to a vote on which the Soviet Union and the United States (the only two powers at present able to launch military observation satellites) abstained.

From New Zealand came a successful resolution calling for the early conclusion of a comprehensive test ban, now under negotiation in Geneva between Britain, the Soviet Union and the United States. However, China opposed it and France abstained. Canada revived an earlier proposal for a verifiable cut-off in the production of fissionable materials for weapons purposes, which the East Europeans opposed; but its renewed call (co-sponsored by Poland) for the negotiation of a convention banning the development, production and stockpiling of chemical weapons, was adopted by consensus. The Federal German Republic, holding the Presidency of the European Community, was responsible for effective political co-ordination of the Nine, and also put forward a useful resolution on the contribution of confidence-building measures in areas of tension. Belgium took up its major theme at the Special Session with a resolution stressing the value of regional approaches to disarmament; the East Europeans and some non-aligned countries abstained on this.

East European proposals

The Soviet Union's annual initiative took the form of a proposal for an international convention on negative security assurances to non-nuclear-weapon states—that is, guarantees by the five nuclear powers not to threaten or attack them with nuclear weapons. Britain and other Western states voted for a resolution remitting to the Committee on Disarmament the question of strengthening the assurances given by nuclear weapon states at the Special Session, while China opposed it.

The Soviet Union also launched a resolution calling for the non-stationing of nuclear weapons in countries which do not at present have them on their territories. This was seen by some states as a measure

inspired by political rather than genuine non-proliferation motives. There was a large negative vote and some abstentions, including Cuba.

Disarmament organization

A number of resolutions on aspects of disarmament organization were adopted by consensus. Mongolia put forward proposals for the celebration of UN Disarmament Week; Venezuela called on member states, as well as non-governmental organizations and research institutes, to promote disarmament information programmes; Iran proposed further consideration of a World Disarmament Conference. The UNDC Bureau introduced a resolution on the work of the UN Disarmament Commission, a deliberative body of the whole UN membership which will meet in May/June this year with the task of considering the elements of a Comprehensive Negotiating Programme on Disarmament.

Tunisia's suggestion that the membership of the Committee on Disarmament should be reviewed from time to time met with opposition from the East Europeans. The Ad Hoc Committee on the Declaration of the Indian Ocean as a Zone of Peace put forward the proposal for a Conference of Littoral States to be held next June. A Liberian resolution advocating a new philosophy of disarmament, and a Cypriot resolution on disarmament and international security were adopted by consensus. A number of countries had reservations about a Saudi Arabian proposal for a UN film on the horrors of war and abstained on the vote. The most controversial resolution was a call by Iraq for states to stop military co-operation with Israel. A total of 30 countries opposed this attempt to introduce politics into the disarmament debate, and 37 abstained.

In sum, this was a busy session of the General Assembly with a much more thorough discussion of arms control and disarmament than ever before. Even if the debate at times covered the same ground as the Special Session, it provided a welcome stimulus to international consideration of disarmament. Much now depends on the new 40-member Committee on Disarmament, the negotiating body which is holding its first meeting in Geneva from January to March.

ROY DEAN
Foreign and Commonwealth Office

Carter's dilemmas: presidential power and its limits

GEBHARD SCHWEIGLER

UNTIL recently, the presidency of Jimmy Carter gave the appearance of a President without power. Elected with great hopes and even greater expectations of his own, Carter initially looked incapable of carrying through his political programme. Congress changed, delayed or prevented the legislative measures he proposed, while he seemed to watch helplessly. His popularity at home and abroad declined steadily. The ominous phrase 'one-term President' began to be heard. The man elected to fight the Washington establishment appeared to be defeated by it.

Then came Camp David. The unexpected success of Carter's summit mediation between Israel and Egypt almost overnight invested him with the aura of a powerful President. His national and international reputation increased rapidly, even though the Camp David Accords stopped short of a peace treaty, which proved elusive. The subsequent failure of Israel and Egypt to conclude such a treaty on time, though disappointing, did not significantly affect Carter's standing. He has now consolidated his position. How could this dramatic resurrection of a President whom many had pronounced politically dead come about? And will it last through the next two years of the first Carter Administration—or perhaps even beyond?

The power of the President, according to Richard Neustadt's classic definition, is 'the power to persuade'.[1] The American Constitution, with its system of checks and balances between the executive and legislative branches of government, grants the President this power—but deliberately little more. He must, if he is to be effective in office, persuade his constitutional competitors for power, day by day, of the necessity and appropriateness of his policies.

Three factors determine the President's power to persuade. First, he himself must have powers of persuasion. These are founded on the prestige of his office, the quality of his staff, the working style of his

[1] Richard E. Neustadt, *Presidential Power. The Politics of Leadership* (New York: Wiley, 1960).

Dr Schweigler is a member of the staff of the Research Institute of the German Society for Foreign Affairs. This article, which is published simultaneously with *Europa-Archiv* (Bonn), is based on research supported by the *Stiftung Volkswagenwerk*. Additional research was made possible through a grant by the Center for European Studies, Harvard University.

Administration and, not least, on his own personal appeal. Second, his rivals in Congress must be persuadable. This depends as much on the structural peculiarities of Congress as on the personal qualities of its individual members. Third and most important in this continuous process of persuasion is the role of the American public, which acts as a court of appeal. It decides, either directly in elections or indirectly through various expressions of public opinion, how persuasive the President has been and how persuadable Congress should be. The never-ending battle for influence, which is at the heart of the triangular relationship between President, Congress and public, is the defining characteristic of the American political system. If the President wins this battle, he stands to gain much power; if he loses it, he is soon powerless. This explains why a singular political event, such as Camp David, can have such overwhelming effects, but also why these may not last long. The trust of the public and the consent of Congress must be constantly regained.

The task of the President in this process is made considerably more difficult if developments outside his control confront him with dilemmas from which he cannot escape without losing his powers of persuasion. This is precisely what happened to President Carter.

The President

The first dilemma facing the President was to have been elected on a promise of a clean sweep in Washington, yet to have to depend on the existing Washington set-up to bring about a new regime. Only a strong President could have overcome the resulting difficulties; yet the presidency, which had suffered severely under the impact of Vietnam and Watergate, was no longer capable of providing this strength. Jimmy Carter himself had recognized this early in his quest for the presidency and had made it the basis of his electoral campaign.[2] But once in office, he had to cope with the fact that the myth of the presidency was no longer effective as a means of political persuasion either in Congress or among the public. Carter tried to overcome this dilemma by demonstrating that his was to be no 'imperial presidency', such as that which had led the nation into Vietnam and Watergate. Yet he was unable to convert his new style into persuasive power, as the nation did not quite know what to make of it.

While Congress and the public were uncertain in their reaction to Carter's new style, they were at least determined to measure him by his own standards. Since these were very high indeed, it was easy for a challenged Congress and a disillusioned public to focus attention on inconsistencies, which in this climate quickly turned into full-blown

[2] See James Wooten, *Dasher; The Roots and the Rising of Jimmy Carter* (New York: Summit, 1978), the most comprehensive account yet of the enigmatic President.

scandals. The preoccupation with the various affairs of the early Carter Administration was so intense that more moderate observers eventually expressed the fear that the ritual destruction of the presidency might result in irreparable damage to the whole political system.

The rites of subjecting the President to massive scrutiny and criticism had developed during Vietnam and Watergate, when they had proved to be an essential element of public control over the excesses of presidential power. Carter had to accept this situation, since any retaliation, and in particular any attacks on the press, would have been rejected as illegitimate and thus caused him more harm. This dilemma was reinforced by the peculiar life-styles of Jimmy Carter and his intimate advisers, who had come to Washington as social outsiders and liked to act that role. Their behaviour was bound to cause friction and ridicule, if not outright rejection.

But the problems went deeper than the President's life-style and the latitude enjoyed by his staff. Soon Carter's working style was at issue. Here, too, he faced a genuine dilemma. The 'imperial presidency' of his predecessors had been marked by the central role of the White House and its staff. Their activities had increasingly taken place outside the control of Congress and the public, until Watergate revealed how corrupt the presidency's working style had become. Carter could not, nor did he want to, install a similar regime. Openness and individual responsibility were to be the hallmarks of his Administration.

As a consequence, there was at first no central co-ordination of staff work in the White House which appeared inefficient and incompetent. Important members of the Administration made contradictory public statements, suggesting that the President did not know his own mind—an impression reinforced by Carter's frequent changes of course in the process of discovering what was politically feasible. At first, the President could do little about such contradictions without losing credibility. He may also have used the ambiguity over his objectives deliberately to obtain more concessions from his challengers (who, like the Russians, were being kept off their guard), as well as to demonstrate the need for greater co-ordination and centralization. In the meantime, however, his open approach suggested incompetence and therefore resulted in loss of power.

The President tried to escape from this dilemma by claiming that the control over White House staff work and indeed over his whole Administration rested in his person. He described himself as the hub of the Administration's wheel, while his Cabinet members functioned as its spokes and kept contact with the political ground. They did, in fact, enjoy freedom of manœuvre and access to the President as rarely before, but this American version of Cabinet government did not work, as the President was clearly overburdened. Soon Carter was criticized for paying

too much attention to too many problems and details. While he was generally admired for his personal discipline, hard work and intelligence, the consensus was that these did not suffice. Now Carter was facing the dilemma of once again having to co-ordinate, in the interest of efficiency, the work of his Administration in the White House, but thereby risking charges of acting like an imperial president.

Carter's very approach to political problems initially provoked astonishment and then criticism. His personal style of work reflects his background as a soldier, engineer and businessman. In his world there is a solution to every problem, which can be achieved by using the right means and proper techniques—an amateurish approach to political realities in the eyes of professional politicians. Carter, who despite his astonishing march to the presidency was already labelled an amateur, could only confirm this assessment. Soon he was accused of taking the politics out of government[3] and told that he should manage contradictions rather than try to overcome them.[4] Here, too, Carter found himself in the middle of a dilemma. His attractiveness as a candidate was based to a considerable extent on this allegedly unpolitical approach. The American voters in 1976 did not want politics as usual, but rather a new politics, both in substance and in procedure. Carter could ill afford to act like a traditional politician. The few times he tried it, albeit rather clumsily, he was mercilessly ridiculed and his dilemma ruthlessly exploited (as when the otherwise unknown Senator Zorinsky, during his fight for the ratification of the Panama Canal Treaties, basked in the glory of futile presidential efforts to gain his support). Such incidences contributed to the image of a weak, indecisive and indeed bamboozled President.

Carter's only escape from this dilemma was to prove that his approach to politics could be successful. It was partly for this reason that he attempted to tackle the most difficult problems left by his predecessors soon after he took office. Since he needed successes quickly, he turned to foreign policy, where they might have been expected more readily. But the President's hopes were to be dashed by yet another dilemma. Most of these problems, such as the Panama Canal Treaties or the arms embargo on Turkey, had been left to him precisely because they had been so divisive at home as to make a solution appear impossible, or at least politically dangerous. In a way, such reluctance to take on difficult problems had been a firm fixture of the American political system.[5]

[3] See Nicholas Lemann, 'Why Carter fails: taking the politics out of government', *The Washington Monthly*, September 1978, pp. 13–23.

[4] See Thomas L. Hughes, 'Carter and the management of contradictions', *Foreign Policy*, Summer 1978, pp. 34–55.

[5] Just what catastrophic consequences this reluctance can have was demonstrated by the war in Vietnam. See Leslie H. Gelb, 'Vietnam: the system worked', *Foreign Policy*, Summer 1971, pp. 140–73.

Carter had to pay for his deviation from established political patterns. From the first act of his Administration—the pardon for Vietnam draft evaders and deserters—to the last legislative battles of the 95th Congress, he fought for his programmes with great courage. But even when he won, he gained little credit: thus more Americans were against the Panama Canal Treaties and against the arms deal with Israel, Egypt and Saudi Arabia after they had been passed by Congress than before! When he won only partially, as for instance with his energy programme or his tax legislation, it seemed more like a defeat than half a victory.

In this situation, Carter and his advisers reached the conclusion that their difficulties were based on an insufficient self-projection of the President and his successes. In the early summer of 1978 they turned, therefore, to the presidential candidate's erstwhile advertising agent, Gerald Rafshoon, who was appointed media adviser. But again Carter was confronted with a dilemma. After the traumatic experiences with Richard Nixon, who after all had gained and defended his presidency with the help of slick advertising and publicity managers, any sort of 'media advice' in the White House was considered to be illegitimate. Rafshoon's appointment was therefore sharply criticized. In the meantime, his role appears to be much larger than that of media adviser. Carter, mindful of the Nixon example, is still refusing to appoint a Chief of Staff for the White House, but, in some respects, Rafshoon is already acting as one. His task is to co-ordinate the public relations of the White House and the Administration, which in practice amounts to policy co-ordination as well. He has apparently stressed the importance of clear priorities and the necessity for the President to present a sharp-edged political image.

Still, all efforts to make Carter look better would have been in vain had he not succeeded in proving that he was, in fact, better. Camp David demonstrated dramatically the value of his working style. Carter's firm belief in the possibility of a solution, the application of hard work towards that goal and the personal attention to the most minute details of the negotiations, indeed even his deep religiosity—these characteristics, which made him look like an amateur, paved the way for the success which practically overnight turned him into a political professional. Paradoxically, his weakness at the time may have contributed to his success, as both sides may have felt it necessary to support him in order to gain American concessions in return (a reverse calculation may then have delayed the agreement on the precise terms of the Peace Treaty).

By proving the value of his working style through the more efficient and effective work of the White House, but especially through the resulting successes, President Carter has now gained increased powers of persuasion. Whether he will be able to hold on to them—and make use of them—depends decisively on the willingness of Congress to be persuaded.

Congress

The initial expectations that the new President would be strongly supported in Congress, as his own party enjoyed an overwhelming majority in both houses, turned out to be ill-founded. Congress, too, had changed in the wake of Vietnam and Watergate; it was now much less easily persuaded. This was the result of deliberate efforts by Representatives and Senators who had wanted to put an end to the war in Vietnam and had realized that it could only be done by curtailing the powers of the President. In turn, this had required the dissolution of the hierarchical structures of Congress, which had allowed a President to persuade Congress as a whole. Additional impulses for a more independent Congress came from the 'Watergate Babies', a large group of new Congressmen elected in 1974, a few months after Nixon's resignation, who fought vehemently for their own convictions and interests, without regard for traditions or hierarchies.

It used to be said in the United States that a Congressman had 'to go along in order to get along'—to follow in order to succeed. Now almost the opposite is true. Since the Congressional leadership has largely been stripped of the power to reward co-operative behaviour, party discipline in Congress has all but broken down. (In fact, some of Carter's successes in Congress came about only with Republican party support, as Republicans remain ideologically committed to the idea of a strong President.) Today, the recipe for success is not to conform.

In the course of the imperial presidency, Congress acquired the means to counter the President's advantage in respect of information, partly through enlarging its research services and through legislation requiring the executive to submit regular reports and impact statements, and partly through the ability of individual Representatives and Senators to hire ever larger personal staffs. These developments have freed Congressmen not only from their dependence on the executive but also from that on the Congressional leadership. Since every member of Congress now has highly qualified—and highly paid—legislative and administrative assistants at his disposal, he is much more likely to stand his ground in his fields of interest as well as to get involved in more areas. Some observers already fear that more and more Congressmen take up issues they would otherwise leave alone because of the activities of their assistants. Personal staffs are developing a life of their own which contributes significantly to the dissolution of Congressional structures.

The efforts of Congress to curtail presidential power have, curiously enough, not increased its standing with the public (already damaged by several scandals, such as 'Koreagate'). Thus, in June 1978, only 38 per cent approved of the way Carter was handling his job (in April 1977 it had been 64 per cent); at the same time, only 30 per cent approved of the way

Congress was doing its job—a figure unchanged throughout the 1970s. Significantly, however, the reputation of individual Congressmen has not suffered: in June 1978, 60 per cent approved of the way their Congressman was handling his job. This important difference in the public's estimation of Congress as a whole and the work of individual Congressmen is contributing further to the fissiparous tendencies of Congress. To get re-elected, an individual Congressman today must stress his independence and his devotion to the interests of his constituency. To serve his constituents he relies on his enlarged staff and the activities of a mushrooming number of interest groups. The latter can offer attractive material aid or threaten disruptive campaigns; in either case, they can make or break a Congressman in his district. The individual Congressman, in turn, is increasingly beholden to such interest groups which are thus able to influence legislation. Since the demands placed on Congressmen have increased considerably, many of them prefer not to seek re-election. As a result, more and more Congressmen are elected to Congress who feel responsible only to the special interests of their constituency, and that possibly for only a brief time—both not conducive to a solid parliamentary performance. All these developments have had the effect of reducing the ability of Congress to be persuaded by the President.

President Carter, who had no experience whatsoever of Congress, initially had trusted in the persuasiveness of his arguments, but without success. His own clumsiness—and that of his staff—in dealing with Congress caused additional difficulties in a body that, despite all reforms, was still very sensitive to any presumed or real slight of its prerogatives. The Democratic leadership was of little help;[6] it let the President get into deep water before bailing him out—apparently to show him the limits of his power. It took more than a year before Carter and his staff had learned how to deal with Congress. For their part, the more responsible elements within Congress gradually realized that to advance politically one had to go along with this President. The fruits of this mutual learning process finally matured in late 1978, when Congress, in a burst of activity before adjournment, passed many of Carter's legislative programmes. It was not just the spirit of Camp David that let Carter reap these successes.

The results of the November elections appeared to confirm the value of this mutual education. The Democratic Party lost less seats than might originally have been expected on the basis of historical patterns and the

[6] Typical of Carter's problems in this regard was the angry reaction of Tip O'Neill, Majority Leader in the House, when Carter dismissed an official of the scandal-ridden General Services Administration who happened to be a personal friend of O'Neill's. Carter was able to mollify him only after appointing this official to a meaningless but well-paid job on the Vice-President's staff—an episode that did not help the President's public standing.

President's low public standing. Carter's own efforts on behalf of Democratic candidates (sought only very late and not everywhere successful) contributed to a certain rapprochement between the President and his party. Congress will continue to resist the President's efforts at persuasion (prospects for the ratification of an agreement on SALT II, for instance, were dimmed by the election defeats of several liberal Senators), but all in all relations between Congress and President are likely to be more relaxed and therefore more productive during the second half of the first Carter Administration.

Public opinion

The final word about the success or failure of this Administration will be the American public's, and not only in the primary elections of 1980. The President's prospects are not unfavourable, even though public opinion on many issues appears so inconsistent that Carter may well be confronted with new dilemmas. His popularity suffered greatly during the first 18 months of his Administration, but the public was dissatisfied mainly with his performance, not with the integrity of his personality: though disappointed by their President, Americans did not feel hostile towards him. This was important for Carter, for it meant that his popularity could be restored once he had proved his competence. Now that he has regained a measure of public support, it should be easier for him to continue to prove his efficiency.

The main complaint of the American public about Carter was that he was not tough enough, with regard to both domestic problems and foreign adversaries. This shows how little public support he gained by grappling with controversial issues and how much he lost by his seeming indecisiveness on others. Carter, whose pollster, Pat Caddell, functions as an intimate adviser, was not ignorant of this state of affairs. With the appointment of Rafshoon, he began to show more firmness, not least vis-à-vis Congress; two important vetoes, one against the construction of a new nuclear aircraft carrier, the other against various water projects, were successfully imposed against special interests, as part of the national fight against inflation. In the meantime Carter has admitted in a number of interviews that he had not been tough enough at first. No doubt, he will not make the same mistake again. The only question is whether conditions will always permit him to be tough.

Toughness is now being demanded above all in regard to pressing economic problems. Inflation, taxes and government waste are the main topics of concern. President Carter has made these his own, as they are, in fact, ideally suited for him. It has always been a characteristic—and confusing—element of Carter's basic political appeal that he is a liberal in terms of social problems, but a conservative in regard to economic ones. Already in his election campaign, he had called for what the Ameri-

can public is now clamouring: 'More for Less', more government services for less taxes.[7]

The overriding issue in the near future will be whether Carter will succeed in providing *more for less*. Should this prove to be impossible—despite all reorganization efforts aiming at a more efficient use of government resources, for which Carter has fought with little success so far—he may yet encounter his biggest dilemma. He might eventually be forced to decide whether he wants to pursue conservative economic policies in the classic style of Republican administrations, or whether he wants to follow traditional Democratic interests and seek social reforms. Public opinion will offer little direction, for, despite some interpretations to the contrary, the American public has, on the whole, not become more conservative: most Americans still want an improvement of government services (for instance, in the health field), but resent (as referenda results showed, moderately so) rising taxes.

After his initial indecisiveness in economic matters (brought about in part by the long delays of his energy measures in Congress), Carter has now shown, with his anti-inflation and dollar-support measures,[8] that he is prepared to act tough. The new Budget with its drastic curtailment of government expenditures, grudgingly supported by the Democratic party, also reflects this toughness. This policy is not without risk, however. A reduced budget and high-interest rates not only risk social unrest, but also a deep recession with a possibility of increased unemployment—all this in an election year. Carter's not unfounded hope is that the public will respect his toughness while tolerating resulting difficulties. In general, the public is quite pessimistic about successful anti-inflation policies; and, in any case, it is not disposed to blame the President alone for any failures. Thus the pressure is on Congress to go along with the President in imposing rather strict policies.

In parallel to his domestic dilemmas, Carter is facing a dilemma in regard to the most important current foreign policy problem: SALT II. The American public is overwhelmingly in favour of a treaty with the Russians limiting the use of strategic nuclear weapons; it is even, perhaps surprisingly so, prepared to consider this a more important problem than the protection of human rights in the Soviet Union. At the same time, the public is deeply suspicious about the Soviet Union and does not trust it not to violate the treaty provisions. This suspicion finds its expression in demands for increased defence spending (which Carter has promised, but which is now being challenged by those seeking less radical budget cuts in social programmes). SALT II will thus face great difficulties in the Senate, which must ratify it with a two-thirds majority, even if the

[7] For some recent surveys on American attitudes towards economic issues, see 'Wishing for More for Less', *Time*, 23 October 1978, pp. 28–9.

[8] See T. de Vries, 'Saving the dollar', *The World Today*, January 1979.

treaty is verifiable and Carter promises major new weapons programmes to protect America's military position. Once again, it seems likely that Carter will reap little benefit from a major and difficult foreign-policy effort.

In the course of the past two years, Carter has tenaciously extracted himself from many of his major dilemmas, some of which he had helped create. One of his biggest problems was that of timing. Thus, in foreign policy, the conclusion of SALT II kept being delayed in order to await the Panama Canal Treaties, the Middle East arms deal, the conclusion of Camp David and then, apparently, the diplomatic recognition of the People's Republic of China. But now Carter finally can look ahead to some plain sailing. Most of the divisive issues of the past are behind him. For the solution of new problems Carter will enjoy more powers, precisely because he will have more support from Congress and the American public. He can—and must—make good use of those powers.

Western Europe's security: fog over the 'grey areas'

CHRISTOPHER J. MAKINS

THE 'grey areas' are in fashion these days. The term, used to describe the problems for Western Europe's security created by nuclear weapons systems of less than intercontinental range not all of which could be included within the scope of either the strategic arms limitation talks (SALT) or the negotiations for force reductions in Central Europe (MBFR), has become one of the fastest buzz-words in the inner circles of defence analysts. Recognizing that these problems could prove to be a time-bomb in the fabric of the Atlantic Alliance, the US and major European governments have recently begun an intensive series of bilateral and multilateral discussions about them, most strikingly in the meeting of Messrs Callaghan, Carter, Giscard d'Estaing and Schmidt in Guadeloupe in early January. The journals, too, are increasingly studded with learned (and some less learned) contributions to the debate.

When an important new subject of this kind comes over the policy-makers' horizon, a great deal of confused analysis and recommendation is usually to be found on both sides of the Atlantic. The grey-area problem is no exception. In one sense, the problem is not new at all. Western Europe has been threatened by Soviet medium-range nuclear weapons

Mr Makins is Director, Western European Trends Program, Carnegie Endowment for International Peace, Washington D.C.

for some 20 years and the Western allies have both deployed comparable systems to Europe (notably US F-111 bombers) and allocated different types of systems (notably Poseidon SLBMs) to perform missions which medium-range systems might otherwise have taken on. As a well-known French defence analyst, François de Rose, has commented,[1] the difference between this long-standing situation and the new one created by the deployment of the Soviet SS-20 mobile, multiple-warhead, medium-range missile and the Backfire bomber is one of degree, not of kind.

The special importance of the grey-area question is that it raises, directly and indirectly, almost all the delicate and unresolved political and psychological tensions and problems which, throughout most of the lifetime of the Alliance, have been sublimated only by a series of painfully evolved and periodically shifting compromises. Thus the increase in—or at least the modernization of—Soviet nuclear forces which threaten Western Europe inevitably prompts Europeans to reflect on the credibility of the US nuclear guarantee of Europe, on the question whether the United States would really risk full-scale nuclear war by using its main strategic forces (including the Poseidons nominally 'committed' to the Alliance) in a European theatre war and on the willingness of the United States, over time, to make sacrifices to accommodate Western European concerns in its broadening dialogue with the Soviet Union, notably on strategic arms. Similarly, any attempt to discuss military responses to the modernization of the Soviet theatre nuclear forces inevitably compels attention to the question whether the European allies really want to plan for a nuclear war in Europe. And, if they do not, are they prepared to organize more seriously than in the past for prolonged conventional warfare and thus to accept any modification of the hallowed Alliance doctrine of 'forward defence' in Germany which, as much as anything else, has stultified earlier discussions of improving the allied conventional force posture?

This is not the first time that the Alliance has seen these delicate, but basic, issues arise. They did so in the 1960s in connexion with the earlier increase in the Soviet nuclear threat from medium-range ballistic missiles and the consequent abortive discussions about the multilateral nuclear force (MLF) and the formation of the more successful nuclear planning group (NPG) with German participation. They did so again in the late 1960s and 1970s following US efforts to strengthen the Alliance's conventional forces and during the discussion about the opening of conventional force arms control discussions with the Warsaw Pact, which eventually turned into MBFR. This time one might hope that the allies will learn the lessons of those earlier, difficult periods. In particular, they need to recognize as the beginning of wisdom that both West Europeans and Americans are inevitably schizophrenic in their approach to

[1] See 'Problèmes pour une alliance', Part 1, *Le Monde*, 30 May 1978.

such problems. It is these parallel and in a sense mirror-image conditions which makes the problems so hard to deal with and so prone to create damaging tensions and misunderstandings.

One side of these schizophrenic reactions consists of a desire on both sides of the Atlantic to strengthen and perpetuate the traditional Alliance structures and policies. For all kinds of reasons, the European (and most especially German) interest lies in continuing to be able to believe in the strength and credibility of the existing Alliance structure and, in particular, in that of the US nuclear guarantee. (A similar phenomenon has been seen in the monetary sphere in terms of the European preference to see the dollar-based international system kept alive and healthy for as long as possible.) This belief makes it possible to avoid raising troublesome issues such as an eventual requirement for a European nuclear force, including German participation and, who knows?, one day nuclear weapons under exclusive German control, and the need to plan for a serious conventional defence capability, at higher budgetary cost, in the absence of a reliable deterrent at the strategic nuclear level. This belief also protects the vested interests and commitments of many people in the military and civilian bureaucracies who have laboured for two or three decades to strengthen the existing structure.

The United States, too, has a series of basic interests in prolonging the existing system, which gives it a dominant position within the Atlantic Community and thus enables it to avoid having to compromise more extensively with its own preferences across a broad spectrum of issues—from economic, monetary and trade policy to the conduct of the US–Soviet relationship—and also to consolidate the benefits it obtains from the unbalanced Alliance relationship on defence procurement. More generally, at a time of acute sensitivity in some quarters in the US about the diminution of American influence in the world, the ability to lead, and to be seen to lead, the Alliance has a certain political and psychological value, while suggestions that the United States is losing its 'control' are correspondingly damaging.

As against this, both Europeans and Americans have an interest in seeing some changes in the present arrangements within the Alliance. On the European side, this derives from the fact that the corrosion of doubt about the credibility of the American nuclear guarantee has continued to spread. The French were the first to raise the problem vociferously, though the British, stung by the cut-off of US collaboration in nuclear matters in the late 1940s, had always implicitly been partial doubters and have maintained their faith in recent times behind the shield (such as it is) of their independent nuclear force. General de Gaulle's categorical view that no nation could possibly risk nuclear destruction by using its nuclear weapons in defence of another provided a crucial catalyst for the spread of doubt during the years of Vietnam, Mansfield amend-

ments on US troop cuts in Europe, abortive 'Years of Europe'[2] and the transatlantic frictions caused by the early doings of Jimmy Carter's Trilateral Commission advisers. Recent European concerns about the ability of the United States to bring inflation and energy policy under control in the medium term have tended to reinforce such shifts in attitude on security matters.

At the same time, a slowly growing urge in Western Europe, marching in step with Europe's post-war economic recovery, to have a greater voice in policy-making in the Atlantic community and to see a more balanced Alliance relationship, especially in such areas as defence procurement, has tended to reinforce the ideas of the doubters. This urge may not have reached the point at which the Europeans are prepared to assume greater positive responsibility for their own defence (though to use the monetary example again, it is striking how quickly the loss of confidence in US willingness or ability to rehabilitate the dollar's international position led to the European initiative to create a European monetary system). But it is clearly apparent in the exercise of 'negative' responsibility by countering US initiatives on a range of subjects, including MBFR and non-proliferation.

In the United States, by contrast, policy-makers have become increasingly aware of the growth of Europe's desire to have an effective voice in the Alliance and its ability to frustrate US initiatives. At the same time, there is an awareness of the practical limitations on the level of US commitments to European defence and the ever-present possibility of a revival of Congressional sentiment against spending so much to defend affluent Europeans whose high prices have reduced some members of the US forces in Europe to close to the poverty line. Finally, there has always been an intellectual and rhetorical acceptance among Americans concerned with these matters that a more balanced Alliance, in terms of sharing the political, intellectual and military as well as the budgetary and industrial burdens, would be a stronger Alliance. All these factors have, in varying degrees, entered into the efforts of successive US Administrations to promote greater European attention to conventional defence and their willingness to allow the Germans, in particular, more weight in policy-making counsels and, to give a recent, unhappy example, to share with the Europeans responsibility for such difficult decisions as that on the enhanced radiation weapon (or 'neutron bomb').

In terms of practical responses to the problems raised by the grey-area systems (and indeed the theatre nuclear problem more generally), these different and conflicting interests suggest rather different conclusions. For those on both sides of the Atlantic who seek above all to try to restore whatever credibility the US nuclear guarantee may have lost and to

[2] See Andrew J. Pierre, 'What happened to the Year of Europe?', *The World Today*, March 1974.

strengthen the traditional structure of the Alliance, the obvious and most effective policy would be to introduce new US medium-range systems (whether a longer-range, more advanced version of the Pershing missile, ground-, air- or sea-launched cruise missiles or a modern, wholly new medium-range ballistic missile (MRBM)) on to German territory. This would provide tangible evidence of a renewed US commitment and apparently help to offset the military capabilities of the SS-20 and the Backfire. Whether or not the Germans, when it came to the point, would actually want such systems based on German soil, given the history of the neutron bomb, for example, is uncertain. Nor is it clear that the United States would, in time of crisis, be any more likely to release them for use against targets in the Soviet Union than it would the Poseidon SLBMs which could already be used for this purpose. But, it can be argued, the deployment of such weapons would do wonders for the credibility of deterrence, which is the most important thing, as well as compensating for the operational shortcomings of relying too heavily on SLBMs for this task. And there is little doubt that many Germans (and other Europeans, including the French, part of whose concern is to keep the Germans happy and therefore less likely to want a greater say in nuclear matters) would see such deployments as useful, even though the reassurance effect might well not last more than a year or two. At a more political level, possibly as a prelude to any decision about actual deployment, people of this persuasion might look to an arms control approach in the hopes that this could, in a sense, make the problem disappear (by imposing militarily significant limits on Soviet theatre nuclear developments), while contributing to Alliance solidarity by associating the Western Europeans, in one form or another, with the SALT process and thus reducing the danger of a divergence between US interests vis-à-vis the Soviet Union and US interests vis-à-vis its European allies. So far, the search for arms control approaches to the grey-area problem has not yielded any which are widely agreed to offer convincing hope of leading to significant limitations on Soviet theatre nuclear capabilities. 'Militarily significant', in relation to systems like the SS-20 and Backfire, would imply limiting deployments to a very few tens at most, and possibly even to within single figures. But the search will—and should—continue.

By contrast, those in Europe and the United States who see the creation of a more balanced Alliance as the higher priority, who foresee a further, inevitable decline in the credibility of the US guarantee and who thus fear a revival of all the old European anxieties in more acute form in the future are more inclined to look for policies which would enhance intra-European co-operation, in the Alliance framework. Such policies would be designed to lead eventually to a joint European policy on the nature of the medium-range nuclear capabilities required for a European theatre (as opposed to, which need not mean totally decoupled from, full-scale

strategic) war, on the targeting and operational aspects of a force posture which could perform those missions and eventually on a production and procurement policy to obtain one. While this formulation deliberately leaves open the question of how far US systems could meet the need, it tends to presume that some European systems (either British, French, Franco-British, or conceivably eventually German under two-key arrangements from France or Britain) would be involved at some stage. At the same time, this approach would also probably involve more explicit recognition of the relatively meagre military benefits likely to be derived in practice from a theatre nuclear war-fighting capability (something which has been widely observed for many years) and thus to emphasize more than ever before the need for the Europeans to take seriously the creation of an adequate conventional defence. Already there are signs that this message is sinking in in Europe beyond the point to which the Europeans have so far been willing to go (their motive hitherto in successive US attempts to upgrade allied conventional forces having been in large measure to try to keep the US happy).

The objections to this approach are also legion. Many would argue that it would encourage the United States to lose interest in the defence of Europe and destroy whatever credibility still attaches to the US guarantee. Others would observe that Britain, a linch-pin of any move towards new European nuclear arrangements, shows no disposition whatsoever to think of its nuclear capability in European terms and no ability (or promise) to conduct its European policies in any field in such a way as to inspire German or French confidence. Meanwhile the French, while apparently becoming slowly more interested in some of these problems again and more concerned about the growth of German strength within Europe, seem far from being politically able, even if they are practically prepared, to contemplate co-operation with the Germans on nuclear policy, whatever may be their receptiveness to the idea of technical collaboration in nuclear technology with Britain on certain conditions. None of these objections is wholly without force. Their force might be slightly diminished, however, if a CDU/CSU government were in power in Germany and a Conservative government in Britain, though with the latter Britain might well lose by the Conservatives' inability to set British nuclear force planning wholeheartedly into a European framework what it would gain by a greater enthusiasm for an active defence policy. And the former does not seem to be on the cards in the near future.

It is thus easy to conclude that the fog over the grey areas is unlikely to lift at all soon and to share the cynical assessment of a seasoned observer of these affairs who recently forecast that the United States would end up adopting programmes and policies which did too little to allay German and other European concerns, but just enough to provoke an unhelpful Soviet reaction. The above analysis does, however, suggest

two conclusions. First, almost whatever view one takes about the future credibility of the US guarantee to Europe, a greater degree of European co-operation on defence problems—including industrial as well as defence policy issues—seems an indispensable element of any effort to reduce the level of anxiety on this score which has continually plagued the Alliance in recent years, as well as being necessary in order to take account of Europe's increasing aspiration to a stronger voice in Atlantic policy-making. No doubt such an evolution will have to be slow, and painstaking efforts will have to be made to ensure that it does not offend US interests to the point of provoking a precipitate reduction of American interest in European defence, if not actual withdrawal. Nor can such an evolution be expected to be free of friction. But it is not obvious, as some would have it, that its consequences need be fatal to the structure of trans-atlantic defence co-operation.

Secondly, a note of warning. In the early stages of MBFR planning, the allies used the requirement to produce a negotiating position as a screen on which to project a discussion, never explicitly recognized as such, about the proper conventional force posture for the Alliance in the late 1970s. Valuable though this was, the harmful consequences of proceeding in this way were considerable. In particular, the allies ended up with a seriously unbalanced—and often not even clearly formulated—view of the relationship between the possible contribution of negotiation to security and the proper role of defence programmes in maintaining a sound balance of forces in Central Europe. This lack of balance in policy has not even now been righted. Similar harmful results could come from a persistent failure to find a clear and open approach to discussing all the dimensions of the various problems raised by grey-area systems. The Alliance urgently needs both a clear consensus on pursuing the military programmes necessary to reinforce allied capabilities in the theatre nuclear area in the light of Soviet policies and a realistic judgement about desirable arms control arrangements, with a related understanding as to what changes in the military programmes would be acceptable if arms control agreements seemed within reach. Both elements are essential: the arms control policy without the programmes would be hardly likely to impress the Soviet Union, while the programmes without the arms control effort would be unlikely to command durable Western European support and prone to prompt an unnecessarily strong Soviet reaction. Unfortunately, however, hints can already be heard of the difficulty governments are having in coming face to face with several of the underlying issues involved. And the temptation once again to try to make arms control negotiations carry a burden to which they are wholly unsuited is all too apparent, especially in some European statements. With the MBFR experience so close, it would be tragic if its lessons were not learned and applied.

This leads to a proposal on procedure. Given the extreme sensitivity of the problems raised by the grey-area systems, it may be unreasonable to expect that governments, whose pride and vested interests would be so acutely affected by some of the policy choices, can arrive efficiently at sensible conclusions unaided. The most likely outcome, on present form, is a series of short-term compromises which, while not in themselves objectionable, fail to deal at all with the underlying problems involved. A hallowed Alliance practice, that of appointing 'Wise Men' to make recommendations on the problems the Alliance faces in the 1980s, might be valuable here. Such a group could examine the problems without prejudice and provide a body of analysis and conclusions to which government policy-makers could find it much easier to rally than if the same ideas were mooted from within the system. They could in particular tackle the delicate questions whether any grey-area arms control negotiations should be bilateral between the United States and the Soviet Union or multilateral, with some Western European participation; and, if bilateral, how the West Europeans can be involved in the planning and execution of the negotiations in such a way as to diminish anxieties that the United States is not adequately defending their interests. These questions strike to the root of US and European schizophrenia and thus threaten to create serious tensions, especially if, as seems all too probable, an initial decision is made to let the Americans deal bilaterally with the Russians on the grey areas, but the Europeans subsequently come to regret it and to feel a need for a presence at the negotiating table. The search for ways of avoiding or containing such tensions will be a good test of the resilience of the Alliance on the threshold of the 1980s.

The new European party federations and direct elections

GEOFFREY PRIDHAM AND PIPPA PRIDHAM

DIRECT elections to the European Parliament will clearly be an historical event in the process of European integration, but their actual political importance has until now been largely overshadowed by protracted discussion of procedural arrangements at the national level, except for some tentative consideration of the future constitutional powers of the

Dr Geoffrey Pridham is Lecturer in European Politics at the University of Bristol; author of *Christian Democracy in Western Germany: the CDU/CSU in Government and Opposition, 1945–1976* (London: Croom Helm, 1977) and co-author, with Pippa Pridham, of a study on *Transnational Party Co-operation and Direct Elections to the European Parliament* to be published by Allen & Unwin in 1980.

Parliament itself. Given that for the moment increased powers are not a realistic prospect, it is more relevant to ask how the newly elected European Parliament will exploit its enhanced legitimacy to gain weight and authority as an institution. Since the dominant role within the Parliament is played by the transnational party groups, this question leads one to consider the effectiveness and impact of transnational party activity in the light of European elections.

For instance, as Douglas Hurd, the British Conservative party spokesman on Europe, has noted,[1] the 'main responsibility' for an effective link between the European and national parliaments will lie with the party groups relating to the national political parties, particularly in view of the virtual eclipse of the dual mandate. Equally, the transnational party groups will be the main agents for asserting the European Parliament's validity as a representative institution and proponents for 'democratizing' the structure of the European Community, this being the principal argument for holding direct elections. In a broad sense, one is asking to what extent these elections will bring any closer the vision of Leo Tindemans, the former Belgian Prime Minister, that 'only European political parties can bridge the gap between the hopes of public opinion and the powerlessness of governments to turn these expectations into proposals for concrete policies'.[2] As, therefore, transnational party co-operation offers the most interesting prospects for the outcome of direct elections, it is worth considering on the eve of the European campaign how this activity has developed so far.

A new departure

European transnational party co-operation has a long history dating back to the formation of multi-national groups in the Common Assembly of the Coal and Steel Community in the earlier 1950s, but in the last few years these parliamentary groups have been supplemented by the formation of three Community-wide party federations: the Confederation of the Socialist Parties of the European Community in 1974, the Federation of Liberal and Democratic Parties of the European Community (ELD) in 1976 and the European People's Party (EPP) inaugurated by the Christian Democrats in the same year. In addition, a centre–right alliance was initiated in April 1978 with the European Democratic Union (EDU), which embraces various Christian Democratic and Conservative parties —notably the West German and British ones together with the French Gaullists—though its membership is not confined to Community member states; the creation of European 'umbrella' organizations has been emulated or considered also by smaller party groupings, such as

[1] Douglas Hurd, 'Can the political parties rise to the European challenge?', *The Times*, 25 July 1978.

[2] *C–D Europe Bulletin*, publication of the Christian Democratic group in the European Parliament, June 1976, p. 1.

regional nationalists, the extreme Right and even the ecologists hoping to capitalize on the successes of the French and German 'green lists'.

The initial significance of the establishment of the three principal federations is that, unlike the traditional internationals (the Socialist, the Liberal and the European Union of Christian Democrats), they are strictly confined to parties from member countries of the EC and they require some (albeit minimal) binding commitment to political activity, especially for direct elections. By relating to the older transnational party groups in the European Parliament as well as harmonizing the European activity of national parties they consequently espouse a long-term integrative role in the Community. The Christian Democratic EPP, for example, emphasizes as its aim to 'secure close and permanent co-operation' between its member parties in order to 'realize their common policy in creating a European federation' (article 3 of the EPP statutes). The overriding stimulus behind this new stage in transnational party activity in the EC has been undoubtedly the prospect and deadline of direct elections, although the widening scope of policy activity in the Community in the 1970s as well as the growing attention given to the European Parliament as an institution during the same period have also promoted this development.

It has sometimes been asserted that the European party federations resemble most the political parties in the United States because of their loose structural character and lack of programmatic commitment—a misleading analogy not only because it postulates the development of the EC towards an American-style federal model but also as it misses the point that such transnational co-operation can only be measured by the criteria of European party development, of which the constituent parties are themselves prime examples. Unlike the US parties, the federations are not merely electoral organizations for they already take seriously the business of policy formulation, even though this has encountered severe obstacles deriving from their operating on the basis of pre-existing national parties with their own histories and, in some cases, long traditions. It should be noted that some differences between the three federations emerge here in that the EPP, with its less complicated procedure in drawing up a common programme, is perhaps more akin to an American type of party than the other two.

Since the US model of party development is not really applicable to transnational party co-operation in the European Community, an alternative scheme of comparative analysis must take account of the more bureaucratic nature of the main European parties. The following five criteria or stages offer a means by which to measure progress towards party-political integration:

(i) the titular or cosmetic, in which the component member parties of

a federation operate or fight European elections under a common banne or distinct label;

(ii) the programmatic, involving the agreement on common programme with some definition of the ideological orientation of the federation;

(iii) the electoral-organizational, where the federations acquire some central control over voting procedures, notably the selection of European candidates and active co-ordination of national campaigns;

(iv) the political-organizational, namely the creation of some form of integrated hierarchical structure devolving to the local level which is more than just a bureaucratic irrelevance; and

(v) the emergence of an acknowledged political power-structure of leadership at the European party level.

Some overlap may clearly occur between these stages, but the fifth one depends on a fundamental strengthening of the European Parliament as a supranational institution in the European Community in the direction of a European-style confederal or even federal model, i.e where the transnational parties perform a 'Europeanizing' role in the policy-making process. The federations have already passed the first stage, though there remain some minor contradictions concerning the conformity of federation membership with that of the parliamentary groups. They are in the process of achieving the second stage, although predictably there have been marked ideological divergences within each European formation, such as between the Christian Democrats over their links with Conservative parties and among the particularly diverse groups of parties in the Liberal Federation. The third stage has hardly been approached and is dependent for any significant progress on the establishment of a uniform electoral system for the Community countries perhaps for the second round of European elections in 1984, and for the final two stages there is no realistic prospect for the intermediate future since they amount to a substantial accretion of political power by the Community.

Patterns and problems

The development of this transnational party co-operation presents a unique opportunity for new approaches in the comparative study of European political parties. This is because they are engaged in a new form of common activity which nevertheless reflects on the general problems of party development. As this activity is still at an early stage, it is worth considering at this point what lessons can be drawn from the operation of the European federations so far.

Although the three party federations cannot pretend to have any articulated bureaucratic structure, some constitutional basis has already been laid for their further evolution as conventional 'parties'. In each

case the statutes (in the Socialist Confederation called more modestly the 'rules of procedure') indicate a similar array of traditional party-political structures: president and vice-presidents, executive organs, a small secretariat and a congress. In two cases the inaugural congresses have already led to the formal approval of European election programmes: the Liberal Federation in Brussels in November 1977, followed by the EPP in March 1978. The congress of the Socialist Confederation, delayed several times by insuperable difficulties between certain member parties in formulating a programme, was finally held in January this year and ended by issuing a common appeal to the electorate for the European campaign. A small but perhaps portentous feature of these institutional arrangements is the acknowledgement given in all three statutes to the political affiliation of the European Commissioners through their incorporation as members of the executive organs.

The federations have therefore laid down the basic structural requirements, though it should be emphasized that, as expected, the functions of the various organs are very limited. Also, some significant differences emerge between the federations themselves. The potentially least 'federal' of the three is the Socialist one, which more than the others stipulates the autonomy of its member parties. Its rules of procedure specify that the congress may take binding decisions on a two-thirds majority but only after a unanimous recommendation by its bureau (article 13). The EPP equally recognizes that member parties 'shall retain their name, their identity and their freedom of action within the framework of their national responsibilities' (article 2 of the EPP statutes), but this is accompanied by the Christian Democrats' strong doctrinal attachment to the principle of European federalism. There are, of course, inevitable practical problems of co-operation within the organs of the federations, notably in calling congresses which require long and careful preparation, besides those posed by working in different languages—the Liberal Federation statutes, for instance, recognize the three working languages of French, English and German. The dependence of the federations on the national member parties for their operation is underlined by the fact that their small budgets are serviced largely by contributions from the latter with some assistance from the parliamentary groups.

One 'constitutional' aspect which has aroused interest has been the relationship between the federations and their respective groups in the European Parliament. This has in practice varied between the federations, ranging from the decisive part played by the Christian Democratic group in initiating the EPP to the case of the Liberal Federation which grew out of consultations within the older International. The latter has, however, gone further in formalizing the link with the Parliament group by indicating that the Federation's congress may receive reports from the group and make recommendations to it (article 26). At the bureaucratic

level, the link has been strengthened in the two cases of the Socialists and Christian Democrats, where the secretaries-general of the federations are also the secretaries-general of the respective groups; common to all three federations is the interchange of staff between their secretariats and administrative personnel from the groups.

In a wider political sense, the main problems encountered by the federations so far are those of policy cohesion or homogeneity. It is here that different national orientations become most visible. In each case the federation membership comprises a wide span of ideological tendencies between, as well as within, member parties (such as between the Bavarian CSU and the progressive Belgian Social Christians in the EPP, or the right-wing Italian Liberals and conservative Giscardians compared with the left-liberal British in the ELD, or the various *correnti* of the Italian Christian Democrats) obviously going well beyond equivalent divisions between 'wings' in any national party. Such ideological tensions have been expressed over the differing coalition relationships and preferences of member parties at the national level—most seriously with the Italian DC's rapprochement with the Communists in Rome, an event which arouses profound concern on the part of the West German CDU/CSU. But the most immediate effect of diverse national viewpoints has been on the formulation of common programmes, which has been the principal activity of the federations up to the start of the European campaign.

Once again differences of approach may be noted between the three federations. The least consultative in its procedure of drawing up a detailed European programme has been the European People's Party, where the original draft was produced by a small commission though later amended in the light of some of the proposals from the national parties. It is the vaguest of the documents and is based on traditional and unspecific Christian Democratic concepts like 'Justice and Solidarity' and 'Man and Society'. The Liberals and Socialists have followed a more 'open' procedure involving elaborate discussion within the national parties. The severest problems have been met by the Socialist Confederation, which produced a draft programme in the spring of 1977 that has since been the subject of deep differences between certain member parties, particularly the British with their reservations about expressions of federalist sympathies. At present, there remains disagreement over the programme, though the Confederation did produce a common manifesto of general principles in June 1978. Altogether, there is a striking similarity of subject content and policy aims between the federations' policy documents (e.g. the importance of human rights, strengthening the European Parliament) with some inevitable differences of priority or emphasis (especially over economic policy).[3]

[3] See Wilfried Dzieyk, 'Programme und Satzungen der Parteibünde in der Europäischen Gemeinschaft', *Zeitschrift für Parlamentsfragen*, June 1978.

Finally, mention should be made of the obstacles facing the basic political development of the federations. Their operation is largely an elite exercise, all the more as they lack any sub-European structural presence and are essentially dependent on the goodwill of the national parties concerned. So far as the first European elections go, the role of the federations will be primarily cosmetic, measured by the extent to which they derive beneficial publicity and are 'exposed' or expose themselves to the national electorates during the campaign. Yet the problem with press reporting of their activities to date has been that national newspapers have tended to give a national slant with little said about statements from party leaders from other member countries.[4] Ultimately, the electoral impact of the federations will be determined by how the national parties and electorates view the European cause. This has been especially noticeable with the main Christian Democratic parties, whose strongly pro-European attitudes account for such visible allegiance as the flying of the green and white EPP flag outside the CDU headquarters in Bonn. Similarly, the Italian DC national 'festival of friendship' at Pescara in September 1978 devoted a whole day to direct elections with a round-table discussion involving Egon Klepsch, chairman of the European parliamentary group, as well as a mass rally with Tindemans as president of the EPP. This European party-political attachment has appeared also at lower levels. The authors, for instance, visited several local DC festivals including one at Pontassieve in Tuscany, where the EPP flag was flown on the stands, EPP stickers were worn by orderlies and there was an extensive exhibition of posters depicting stages in the history of the EEC. There are therefore possibilities for European-style party-political attitudes being fostered through the medium of the federations.

Towards the European campaign and beyond

It remains to be considered to what extent direct elections in 1979 will witness a 'European' campaign and whether they will promote the further development of party-political integration in the Community. In federation circles, it has been customary to talk of a '90 per cent national' campaign, which will perhaps be inevitable as the first round of elections will take place on the basis of national voting systems and also because of the evident autonomy and even independence of member parties. The common programmes or declarations will, however, provide a background

[4] For instance, reports in the British press on the Liberal Federation congress concentrated on its demands for the adoption of proportional representation in the UK, see 'Liberals of Nine urge Westminster to pass European election bill', *The Times*, 21 November 1977; similarly, reporting on the differences over the Socialist programme has tended to focus on the usually critical or negative comments from the British representative, Ian Mikardo. On the other hand, the West German press has been among the most 'European' in its detailed accounts of federation activities (e.g. the *Frankfurter Allgemeine Zeitung*), though these have so far appeared only intermittently.

and be adapted to the national campaigns, which even Ian Mikado acknowledged when he said after the publication of the Socialist manifesto: 'Each party is free to do what it wants regarding its own election manifesto, but it will be under an obligation to write this manifesto within the framework of the declaration agreed here today.'[5] The precise role of the federations is as yet unclear, though some 'commercial' activity on their part is envisaged with the provision of common posters and stickers as well as their help in formulating common slogans and facilitating the exchange of major speakers between countries. Ultimately, their electoral purpose is to prevent any glaring discrepancies between the campaign efforts of the various parties.

Even before the official start of the European campaign, an element of European-level party competition or conflict has been engendered by the prospect of direct elections. This has taken many forms: the aim of the Socialists expressed by Willy Brandt is that 'the EC develop and prove itself to be a socially progressive large association', just as the other two common programmes include a preamble stressing the need for the Community to develop in a 'liberal' or (with the Christian Democrats) 'free' direction. At a cruder level of political debate similar to that in national elections, European-style polemics have surfaced with attacks from individual parties of the centre–right against the dangers of Eurocommunism or a European popular front. In other ways, European party solidarity or rivalry is demonstrated through assertions as to which federation was the first to produce a common programme or which group will emerge as the largest in the newly elected European Parliament.

It is obvious from a brief examination of preparations for the European elections that national parties are viewing them with the political advantages of their 'European' vote-getting ability in mind, if only because for party-political elites 'elections are elections'. Hence, the appearance of small groups like the ecologists who hope to attain a broader 'visibility' through the event, the polemics of the Italian Socialist (PSI) leader Craxi about the nature of the Italian Communists' democratic credentials and the calculations of the French Socialists about the benefits to be derived from the use of proportional representation for these elections. Again, the electoral motive has been uppermost in the formation of the European Democratic Union (EDU), which allows the British Conservatives in particular a European organizational framework for their campaign. Soon after its establishment, Douglas Hurd expressed the hope that 'we shall be able to agree with our new partners on a declaration of policy which can be put into the letter-boxes of the voters in the same envelope as our specific Conservative manifesto'.[6] Only with the Communist parties has this drive to form European-level organizational links for the

[5] *The Guardian*, 24 June 1978.
[6] Talk at the Royal Institute of International Affairs, London, 17 May 1978.

election been resisted or regarded with indifference. In a recent interview, Giorgio Amendola, leader of the Communist group in the European Parliament, emphasized that Eurocommunism has no 'one operative and organizational centre',[7] repeating the line he has taken on earlier occasions criticizing 'the artificial character of certain alignments, that have purely an electioneering value'.[8]

Although the federations themselves are clearly preoccupied with harmonizing the positions of their member parties for the elections, there are also signs of their looking to the period beyond that event. The Liberal Federation statutes (article 2) spell this out by noting that direct elections are only one of its three purposes, the others being to seek a common position on EC problems and informing and involving the public 'in the construction of a united and liberal Europe'. Like the other two formations, it sees itself as having a permanent and continuous role. More specifically, one significant future development will be the relationship between the groups and federations, though it is a moot point to what extent European deputies will look more to the federations than to their constituency associations (i.e. national parties) for their extra-parliamentary organizational frame of reference. Another pointer worth watching is whether the European programme or platforms of the federations will be taken up in any conscious fashion by the newly elected groups as a basis for their policy activity in the Parliament. Finally, the sense of party competition has already affected future perspectives with the promotion by the federations and some of their member parties of contacts with fraternal parties in the applicant countries of Spain, Portugal and Greece with a view to their later membership of the federations as well as their effect in determining the future strengths of the party groups.

At this stage, therefore, many questions remain open about the further development of transnational party co-operation and the precise forms it will take. The 1979 direct elections themselves should produce some answers to these questions, if only partial ones. However, one matter is already clear from developments so far: the process towards European elections itself has so encouraged an intensification of transnational party activity that one can justifiably talk of a new historical phase in this respect, in spite of the manifold evident restrictions in this newly developing field of harmonization in the European Community.

[7] *Panorama* (Milan), 24 October 1978.
[8] Interview with *The Times*, 1 February 1977.

French intervention in Africa in 1978

JULIAN CRANDALL HOLLICK

In June 1977, the small colonial enclave of Djibouti became independent, bringing to an end 150 years of French colonial presence in Africa. Less than 12 months later, not only were there more French troops in Africa than at any time since 1960, but they were actively engaged in fighting in Chad, Mauritania and Zaire.[1] Were they there out of mere colonial nostalgia and a desire by a former imperial power to play a world role which it had neither the economic nor military power to fulfil? Or were they, singlehandedly, attempting to stem the tide of Communist destabilization in Africa?

Elected to the Presidency in 1974 without a clearly defined foreign policy, and accused by the Gaullists of abandoning French independence in world affairs and of kow-towing to the United States, President Giscard d'Estaing regarded Africa as a suitable area in which to forge his own policy and confound his detractors. The energy crisis and the Marxist victory in the Angolan civil war helped crystallize the President's thinking. The previous policy of courting progressive Arab states, such as Algeria and Libya, had failed to shield France from the full effects of the Arab oil embargo. The President became convinced that France and Europe's future energy requirements would have to come from Africa with which the French enjoyed a long and intimate relationship. The outcome of the Angolan civil war was a further eye-opener. It seemed to confirm that only France was politically capable of intervening to halt Soviet expansion; Britain had clearly opted out, and the United States' will was paralysed by a Congress still haunted by the trauma of Vietnam. France began to reassess its links in Africa, and, under pressure from nervous conservative states, a series of new co-operation agreements was signed.[2]

[1] France maintains five military bases in Africa: in Djibouti, Senegal, the Ivory Coast, Gabon and Mayotte. In June 1978, there were estimated to be 12,500 French troops in Africa, stationed as follows: Djibouti 4,500; Senegal 1,500; Ivory Coast 500; Gabon 500; Mayotte 1,000; Réunion 2,000; Chad 1,300–2,500. There were in addition 2,000 military instructors throughout Africa, a special intervention force stationed in South-West France and an impressive fleet in the Indian Ocean.

[2] There are 22 military co-operation agreements. Most of them are incorporated in general co-operation agreements and provide only for logistic aid. Five were amended recently. In Senegal, the new agreement dates from March 1974; in Zaire from May 1974 (finally ratified by the French National Assembly on 22

The author is completing a doctoral thesis on 'Anti-Americanism in France since 1945' at the London School of Economics.

President Giscard d'Estaing brooded on the West's failure in Angola until the spring of 1977, when the copper-rich Shaba province in Zaire was invaded by ex-Katangese rebels, trained by the Cubans based in Angola and equipped with Soviet arms. Anxious to reassure France's moderate African friends and to demonstrate to the electorate, and to the Gaullists in particular, that France was still a world power, the President responded immediately by ferrying Moroccan troops to Shaba. He claimed to have intervened on behalf of the other Common Market countries, but the Belgians were less than enthusiastic, and it appeared odd, to say the least, that the President had failed to consult any of his partners beforehand. Within France, he was widely criticized for abandoning a balanced policy in favour of becoming the lieutenant of American imperialism in Africa.[3]

The operation, however, was an immense boost to the President's prestige among moderate African states. At the fourth Franco-African summit at Dakar on 20–21 April 1977, the President, flushed with success, declared that France would not stand idly by if they, in turn, were threatened. He went further and proposed a Helsinki-type security pact between Europe and Africa. Only Europe, by virtue of its colonial experience, was able to offer credible guarantees that could preserve the continent from super-power intervention or an African arms race. He was obviously embarrassed, however, when President Senghor asked for Common Market backing for a proposed West African defence pact, and played down its possible implications by suggesting that existing bilateral co-operative arrangements were adequate.

In a visit to the Ivory Coast in June, President Giscard d'Estaing suggested that the Common Market and the United States sponsor jointly a $1 billion Marshall Plan for Africa, to help develop its economic and communications infrastructure. Neither the Congress nor the other members of the Nine displayed any keenness. Other African states did not show much enthusiasm or comprehension either when M. de Guiringaud, the French Foreign Minister, made two highly publicized tours of English and Portuguese-speaking Africa in an effort to extend French influence. His second visit in August ended abruptly in Tanzania, when the authorities tolerated demonstrations against the sale of French nuclear reactors to South Africa and its intervention in Zaire.[4]

November 1978); in Chad from March 1976; in Mauritania from June 1977; and in Djibouti from July 1977. In the case of six states—Ivory Coast, Djibouti, Gabon, the Central African Empire, Senegal and Togo—the military agreement includes a clause on external defence, allowing these states to call on French forces in the event of external aggression.

[3] See, for example, Gaullist, Communist and Socialist criticism in *Le Monde*, 12 April 1977.

[4] Arms sales to South Africa were progressively reduced after 1975 and discontinued completely in 1977 after sharp criticism at the meeting of non-aligned nations in Colombo in the summer of 1976.

In January 1978, during a further visit to the Ivory Coast, the President committed France more decisively to the defence of conservative African states against Soviet-backed or -inspired destabilization, arguing that Africa must be protected from outside interference and be allowed to settle its disputes internally. France was prepared to stand as guarantor and back up the principle of '*l'Afrique aux Africains*' with military as well as economic aid. The coherence and credibility of the President's policy were quickly put to the test, as simmering conflicts in Chad and the Western Sahara threatened to boil over, carrying away with them the pro-French governments in N'Djamena and Nouakchott.

Chad

At first glance, the war in Chad is a traditional sub-Saharan conflict for a redistribution of political power between the Christian South, which has dominated government since independence, and the Moslem North represented by Frolinat,[5] which began its military campaign in the northern Tibesti mountains in 1966. Two years later, General de Gaulle responded promptly to a Chadean request for French troops and military aid, less because the country held any great diplomatic or strategic value than out of nostalgia and to honour the co-operation agreement.[6] The troops were withdrawn in 1971 although Frolinat was still undefeated.

In 1973, the war took on a new turn when Libya, which until then had only given nominal support to Frolinat in the name of Muslim solidarity, moved its own forces into the extreme North beyond the Tibesti mountains. Colonel Qaddafi's objective was the Aozou Strip, a border region reported to be rich in manganese and uranium, which Libya claimed by virtue of a Franco-Italian treaty of 1953. Most of Colonel Qaddafi's subsequent diplomatic tacking between alternate praise and condemnation of Paris, N'Djamena and Frolinat is only really explicable in terms of his wanting to obtain official sanction for his seizure of the area.

In October 1975, President Tombalbaye was deposed and succeeded by General Malloum, who promptly quarrelled with France and cancelled their bilateral defence agreements. Six months later, President Malloum bowed to the inevitable and signed new agreements with the then Prime Minister, M. Chirac, under which France would train and re-equip the Chad army. The situation was further complicated at the end of 1976 when the leader of Frolinat, Hissène Habré, a Southern Moslem who had gained international notoriety by holding a French archaeologist, Mme Claustre, hostage since 1974, was deposed at Libya's instigation for resisting its takeover of the Aozou Strip. Continuing their game of diplomatic cat and mouse, the Libyans soon forced Habré's successor,

[5] Front for the National Liberation of Chad, founded in Ghana by exiled northern intellectuals, which quickly transferred its political base to Algiers.

[6] N'Djamena, formerly Fort Lamy, was the scene of one of the first victories by the Free French in 1940.

Goukouni Ouddei, to release Mme Claustre; unfortunately neither Paris nor N'Djamena answered their hopes; consequently, the war escalated.

At the beginning of 1978, government positions began to crumble as Frolinat forces swept down from the North. For the first time there were reports of French casualties and of hostages taken to secure French withdrawal. President Malloum, faced with imminent defeat, his army decimated, his capital threatened, played his last card and appealed to France to rescue his regime. President Giscard d'Estaing was embarrassed, with little room to manœuvre. He wanted to avoid antagonizing Libya, while at the same time honouring the bilateral co-operation agreement and the commitment to defend 'France's weak friends', recently reaffirmed in the Ivory Coast. A Libyan-imposed ceasefire was signed near Benghazi on 27 March between Frolinat and the Chad Government, which amounted to a *de facto* partition of the country on terms humiliating to President Malloum and France. Frolinat, however, scenting final victory, broke the agreement after a few weeks and renewed its offensive, threatening to continue fighting until all French military personnel had been withdrawn. The French Government reacted boldly, sending 1,200–2,500 Légionnaires and several squadrons of Mirage and Jaguar fighter-bombers to halt Frolinat's offensive while a political solution was worked out within Chad and between Paris and Tripoli.

M. de Guiringaud claimed somewhat unconvincingly that the troops had been sent in solely to protect French nationals.[7] It would be nearer the truth to say that France was giving a blood transfusion to keep the patient alive, running the Government which had virtually ceased to exist, paying its bills, maintaining a strict and highly unpopular news blackout and avoiding any parliamentary debate while at the same time working towards a solution that would allow France to extricate itself, its army and its honour intact.

The tide turned at the end of May when French and Chad forces decisively defeated Frolinat in a pitched battle at Ati. Colonel Qaddafi, initially threatening to wage war throughout North Africa against French imperialism, decided that the moment had come to negotiate and sent his Prime Minister to Paris. On 19 August, after lengthy negotiations involving a special envoy from the Elysée and President Noumeiry of the Sudan, Hissène Habré, poacher turned gamekeeper, became Prime Minister in a new government of national reconciliation under President Malloum. Frolinat, meanwhile, is reported to be increasingly disunited and demoralized by Libya's tactics and its failure to topple President Malloum.

Fighting is still continuing and there have been recent reports of heavy French casualties.[8] Negotiations must be presumed to be taking place in Paris, Tripoli or Khartoum, on the one hand between the new Chad

[7] *Le Monde*, 9 May 1978. [8] *Le Point*, 16 October 1978.

Government and Frolinat for a substantial degree of political autonomy for the North, and, on the other, between Paris, N'Djamena and Tripoli for an end to Libyan support for the rebels. Libya's price is high: the cession of the Aozou Strip and the sale by France of nuclear reactors to Libya. It remains to be seen whether Hissène Habré, an ardent nationalist, can accept the territorial loss, or whether France can accept the prospect of Libya acquiring control of vital uranium deposits. Nevertheless, France might tolerate such a deal, particularly if Libya continues to mediate in the war in the Western Sahara.

The Western Sahara

France is caught in a complex and apparently inextricable conflict for control of the ex-Spanish Sahara between three of its allies—Algeria, Morocco and Mauritania—and the Polisario Front, whose claim to all or part of the territory was accepted by the International Court of Justice and the United Nations.[9] In addition, the situation has been greatly complicated by a long-standing rivalry between Morocco and Algeria for control of the adjacent Tindouf region, reputedly rich in minerals, which had previously degenerated into war in 1963, and by Mauritanian fears that Morocco would secretly like to annex its territory and extend Moroccan frontiers south to the Senegal River.

Partly to head off such a threat, and partly out of a hope that it might share in the exploitation of the area's phosphate deposits, Mauritania agreed unwisely to defy international opinion and split the territory in January 1976. Far from settling the issue, this move simply plunged Mauritania into a war beyond its physical and financial resources, and turned its former allies, the Polisario and Algeria, against it. An attack by the Polisario on the Mauritanian capital, Nouakchott, in June 1976 prompted Morocco to send 9,000 troops to bolster Mauritanian security against the Polisario, which King Hassan II regarded as a wing of the Algerian army engaged in another chapter of the territorial dispute between Rabat and Algiers. Mauritania was even more helplessly embroiled in an altogether wider conflict.

In May 1977, in response to Senegalese fears and to Saudi pressure to safeguard the territory's uranium deposits, France abandoned its neutrality and charged Algeria with aiding the Polisario. This censure, and the French airlift of Moroccan troops to Zaire the previous month, led to a rapid deterioration in France's relations with Algeria, which were already under some strain despite the President's triumphal visit in 1975.[10]

A new military agreement was signed between France and Mauritania in June 1977. A squadron of Jaguar fighter-bombers was despatched to

[9] For an excellent and indispensable survey of the dispute, see John Mercer, 'Confrontation in the Western Sahara', *The World Today*, June 1976.

[10] See Sam Younger, 'Ideology and pragmatism in Algerian foreign policy', *ibid.*, March 1978.

Cap Vert in Northern Senegal to help repel Polisario attacks inside Mauritania. The Polisario retaliated by attacking the mining centre of Zouérate, disrupting production and taking hostage, as 'prisoners of war', a group of French mining engineers. In exchange for their release, the Polisario demanded full diplomatic recognition, the end of French air support for the Mauritanian army and the withdrawal of all French technicians from Zouérate.

President Giscard d'Estaing responded angrily. With a wary eye on public opinion, which was generally favourable to the Polisario cause, he escalated French involvement. Reinforcements were sent to Cap Vert, the special intervention force in southern France was placed on alert and the air strikes against the Polisario intensified. This produced a great deal of domestic criticism, principally from the Gaullists and the Communists, and provoked huge anti-French demonstrations in Algiers. The Algerian Government accused France of using napalm and phosphorus against the Polisario; the French responded by alleging that the French hostages were, in fact, being held by the Algerian authorities. Relations deteriorated still further when Algerian immigrant workers were attacked and murdered by right-wing extremists in Paris and Marseilles. President Boumedienne intervened directly in French electoral politics in December by attempting to give the Left the credit for the release of the hostages, a move which infuriated the French President, and which came to nothing when the Left failed to win the elections in March 1978. Both countries began to talk about the need to improve bilateral relations. For France, the unresolved war in the Western Sahara remained the principal obstacle.

The situation was altered drastically on 10 July 1978 by a coup in Mauritania, in which some saw the hand of France. President Ould Daddah, who had become an obstacle in any search for peace, was deposed by a group of army officers tired of fighting a war that had helped bring the country to the edge of bankruptcy. The coup unblocked the situation, even if it offered no overnight solution. The Polisario immediately declared a cease-fire. Franco-Algerian relations suddenly warmed, as the Algerians realized that they could exploit the new Mauritanian regime's desperation and France's desire for a solution to isolate Morocco effectively. The new Mauritanian President, General Ould Salekh, responded, suggesting that he might be ready to cede his half of the disputed territory or grant the Saharouis autonomy in a new federal state. Neither has seemed to interest the Polisario, despite Libyan pressure on them to accept.[11]

Another obstacle to any such solution may be Morocco's refusal to tolerate the surrender of any part of the Western Sahara to its 'enemies,' meaning Algeria. King Hassan was only believed to have been dissuaded

[11] *The Times*, 28 September 1978.

from staging a counter-coup in July through the personal intervention of the Elysée, and he has hinted since that he would be prepared to take over the Mauritanian half of the disputed territory by force.[12]

There has been a great deal of diplomatic activity since the summer, mostly in Paris and Tripoli, in an attempt to reconcile the Polisario with Mauritania and Morocco with Algeria, with as yet no major breakthrough. Some of the manœuvring may be cosmetic, hoping to influence the special committee of African leaders due to recommend a solution to a specially convened session of the Organization of African Unity. Out of it all have emerged three possible solutions: first, a Saharoui Republic would be set up after a referendum in Mauritania's part of the Western Sahara; second, Algeria would be bought off by the offer of a corridor to the Atlantic in exchange for abandoning the Polisario; third, the Saharouis would accept to become part of a federal Mauritanian state that Libya, Algeria and France would help develop. For France, the advantages of a long-term solution are evident, allowing it to escape from the obvious contradictions between its Arab and African policies, and to extricate itself from a war in which French interests are only marginally at stake.

Zaire—limits of Giscard's policy

The French intervention in Shaba province on 19 May 1978 produced far greater domestic and international reaction than the operations in either Chad or Mauritania, in part because of its dramatic nature reminiscent of West German intervention at Mogadishu, and in part because it seemed to be a direct Western response to Cuban involvement in the Horn of Africa and in Angola.

President Giscard d'Estaing claimed to have acted simply in response to an appeal from President Mobuto and to save the lives of the Europeans in Kolwezi.[13] But there were clearly other considerations. Since it had been widely known several weeks previously that another invasion was being mounted, why were the French technicians, or at least their families, not evacuated beforehand, like the American nationals? Was the President hoping to secure maximum effect by a dramatic intervention, to serve both as a warning to the Soviet Union and as a demonstration to moderate and non-aligned Africa that France, at least, was prepared to match words with action? To what extent did he hope further to undercut Belgian influence in Zaire? Or was it largely an impulsive move, inspired by his personal fascination for Zaire and the fortuitous presence of President Senghor at the Elysée?

Although it saved President Mobuto until the next invasion, French intervention also demonstrated the dangers, limits and ambiguities of the whole African policy. The episode and its aftermath suggested that

[12] *Le Point*, 17 July 1978. [13] *Le Monde*, 21–22 May 1978.

France's African policy was short on consultation with its fellow Europe
and the non-aligned in Africa, long on logistic and diplomatic supp
from the United States, and full of the risk of polarizing African opini
all of which was precisely what the President had claimed to have sou
to avoid.

The other members of the European Community, who had ne
shown much enthusiasm for the notion of a solidarity pact with Afri
were far from united behind France. Even before the intervention, De
mark, the acting President of the European Council, had publicly cri
cized France's actions in Chad and called for its withdrawal.[14] Belgi
and France traded mutual accusations, the Belgians suspecting the Fren
of trying to use the episode to supplant them politically and economical
the French suggesting that the Belgians might have in fact encourag
the invasion of Shaba, either to topple President Mobuto or else finally
realize the secession of Katanga.

At a meeting in Paris on 5 June 1978 of representatives of Belgiu
France, Britain, West Germany and the United States, the Briti
argued that African problems should not always be treated in terms
East–West rivalry. Neither Britain nor the United States, anxious
avoid antagonizing the 'front-line' states in a possible Rhodesian sett
ment, supported the President's ideas for a special development fu
or a permanent African peace-keeping force trained and equipped
the West. Instead, the meeting offered Zaire a small emergency lo
conditional upon President Mobuto putting his house in order. The m
that France could extract from its allies was a general warning to t
Soviet Union and Cuba that the West would not sit idly by in the eve
of further 'destabilization', and commitments by the United States
ferry the six-nation African force that was to replace the French Légio
naires, and by the Belgians to leave behind part of their force for
limited period.

Within Africa, the French intervention produced pandemonium a
instant polarization. At the meetings of the Organization for Afric
Unity at Khartoum and of the Non-Aligned Nations at Belgrade in Ju
the French President's proposals for a pan-African peace-keeping for
backed by the West disappeared amidst a welter of accusation a
counter-accusation.[15] Those who had Cuban troops attacked the We
those with French troops attacked the Cubans; and those without eith
said that all foreign troops should get out. Under the threat of furth
polarization and a perhaps fatal involvement in East–West rivalry, t
Africans managed a public reconciliation between the Presidents
Zaire and Angola, and established commissions to resolve the confli

[14] *Financial Times*, 12 May 1978.
[15] See K. F. Cviic, 'Non-alignment's dilemmas', *The World Today*, Septem
1978.

in Chad and the Western Sahara, even if they were unable to establish a consensus about foreign intervention in their disputes.

French intervention threw a chill over Franco-Soviet relations. Although Russia had condemned the first Zairean intervention in April 1977, this had not prevented President Brezhnev from maintaining his visit to France the following June. Official reaction to direct French involvement was much harsher. The Soviet press accused the Légionnaires of deliberately provoking the massacre of European civilians in order to justify their 'imperialist intervention'. This produced an official French protest. *Pravda* denounced the five-nation meeting in early June, claiming it had been called to prepare a punitive military expedition against independent African states. Although President Giscard d'Estaing argued in a letter to President Brezhnev on 6 June that détente was indivisible and should apply to Africa, the latter showed his displeasure when, during a visit to Prague, he found a great deal to praise in West Germany while completely ignoring France.

Within France, the Zairean adventure brought to a head a general unease about French intervention in Chad and the Western Sahara, which threatened to compromise France's reputation in the Third World and carry unnecessary military risk with little obvious advantage. Initial criticism focused on the very legality of the operation. The 1974 co-operation agreement with Zaire had not yet been ratified;[16] under the Constitution, therefore, only the National Assembly could authorize armed intervention. Subsequently, most of the criticism was directed at the wider political implications of the intervention. The Gaullists and the Socialists, for rather different reasons, feared that the President's actions would upset the delicate balance of France's independent policy, alienating the Soviet Union by needlessly propping up discredited regimes whose weakness owed nothing to Soviet subversion,[17] while, at the same time, polarizing African opinion and alienating Algeria and Libya, which held the key to successful resolution of the conflicts in Chad and the Western Sahara. One Socialist went so far as to accuse France and its policies of destabilizing Africa.[18]

The Gaullists, who had proposed their own version of a Euro-African development pact in the name of an independent Europe,[19] were unable initially to condemn the President's moves, because they were clearly popular,[20] and moves that de Gaulle himself might well have imitated.[21]

[16] See note 2. [17] Jacques Chirac in *Le Monde*, 27 June 1978.

[18] Lionel Jospin, 'Pleins feux sur l'Afrique', *Le Monde*, 21–22 May 1978.

[19] *Le Monde*, 18 April and 19 May 1978.

[20] SOFRES poll in *Le Point*, 12 June 1978.

[21] Raymond Aron in *L'Express*, 12 June 1978. De Gaulle, while courting Algeria and other progressive Third World states, treated French-speaking Africa with disdainful paternalism. Frequently accused of neo-colonialism, of maintaining by a mixture of bribery and coercion a retinue of tinpot client states whose independence was so nominal that they did not dare dispute his parallel policy of

However, all the old suspicions of the President soon resurfaced: he was suspected of betraying national independence, of using the episode to mask a surreptitious return to the Nato fold; there was an unmistakable 'Atlantic odour' to his policy.[22] Some Socialists also feared that France was being dragged back into an '*alliance atlantique africaine*' in the name of anti-communism, reminiscent of the disasters of the Fourth Republic.[23]

For the Communists this simply confirmed a new French imperialism, at the service of multinational capitalism. Another left-wing writer compared France to a guard-dog in the service of a new Germano-American 'Holy capitalist alliance'. Behind much of the Socialist and Gaullist criticism lay the ghost of Vietnam, of France's own colonial disasters in Indochina and North Africa. Was France about to be sucked into a bottomless pit by the quarrels of others? Was Giscard d'Estaing a latter-day Napoleon III, heading for an African Sedan that might eventually destroy the Republic?[24]

It was left to M. Mitterrand to ask the most searching questions in the special foreign affairs debate on 8–9 June 1978. Who was France supposed to be fighting against? Was it merely propping up discredited regimes? Or was it fighting against its allies, Libya and Algeria? Or was the enemy international communism? It was difficult to discern the hand of the Soviet Union in any of the three conflicts, indeed it had been remarkably conciliatory in both the Chad and the Western Sahara, studiously avoiding taking sides. Perhaps the Government *was* using the occasion to reintegrate into Nato.[25]

M. Mitterrand may also have pronounced the epitaph for a policy that, while generous in its intentions, was hasty and ambiguous, full of diplomatic and military risks and smacking of improvisation and inadequate preparation.[26] France's equivocal involvement in Africa poses another, more fundamental question: how much can France hope to achieve as a would-be world power, acting on its own, without the full support of its European allies?

---

selling arms to South Africa, de Gaulle was prepared to intervene on their behalf. In 1962 he intervened to save President Senghor of Senegal; in 1964 French troops reversed a Leftist coup in Gabon; and in 1968 he sent troops and heavy military equipment to Chad without hesitation. See Kaye Whiteman, 'Pompidou and Africa: Gaullism after de Gaulle', *The World Today*, June 1970.

[22] Jacques Chirac, *Le Monde*, 6 June 1978. See also Pierre Charpy in *La Lettre de la Nation*, 1 June, and the declarations of Yves Guéna on French radio, as reported in *Le Monde*, 6 June 1978.

[23] Gaston Defferre, *Le Monde*, 8 June 1978.

[24] See for example Claude Bourdet, 'Les émules de Metternich' and Philippe de Saint-Robert, 'A la Napoléon III', *ibid.*, 8 June 1978.

[25] *ibid.*, 10 June 1978. [26] *ibid.*, 29 September 1978.

PRINTED IN ENGLAND BY POPPER & COMPANY LTD, WELWYN GARDEN CITY, HERTFORDSHIRE

THE WORLD TODAY

Founded in 1945, THE WORLD TODAY is issued under the auspices of the Royal Institute of International Affairs and published monthly by the Oxford University Press.

ANNUAL SUBSCRIPTION (12 issues a year)
Including postage inland and overseas
UK £7
US $20 (by accelerated surface post)
Elsewhere £9
Single copies 70p ($2) post free

Orders may be sent to booksellers and newsagents or to the Oxford University Press, Press Road, Neasden, London, NW10 0DD Telephone 01-450 8080

The Royal Institute of International Affairs is precluded by the terms of its Royal Charter from expressing an opinion of its own on any aspect of international affairs. Any views expressed in this publication are, therefore, the responsibility of the contributors.

ISSN 0043-9134

THE WORLD TODAY

The Royal Institute of International Affairs

CONTENTS

EDITOR: LILIANA BRISBY

March 1979
Vol. 35. No. 3

Manuscripts and correspondence should be addressed to the Editor, *The World Today*, The Royal Institute of International Affairs, Chatham House, 10 St James's Square, London SW1Y 4LE.

US energy policy: transition to what?

DANIEL YERGIN

BETWEEN the first oil shock of 1973-4 and the second of 1978-9, brought on by the Iranian upheavel, US oil imports maintained their dynamic and potentially disruptive growth, and their futher increase is a continuing prospect. The basic premise of the proposals of the last three American Presidents has been that this growing dependence on foreign petroleum must be slowed, and then reversed. Richard Nixon and Gerald Ford both advanced what might be called a conventional production strategy—that is, to depend mainly on augmenting oil, gas, coal and nuclear production. Jimmy Carter, distancing himself from that approach, has argued instead for a transitional strategy, away from oil and gas, with emphasis instead on conservation and solar energy. But the same contradiction has afflicted both approaches—that, while the declared aim is to reduce oil imports, the fact of the matter is that imports have been increasing and are likely to go on increasing.

Nowhere does the unreality show up more than in the realm of solemn pledge. In 1973, Richard Nixon promised an end to oil imports by 1980. In January 1975, Gerald Ford held out the possibility of a two-million-barrel-a-day decline in oil imports by the end of 1977. At the Bonn economic summit in July 1978, President Carter assured the other Western leaders that US oil imports would be reduced by 2·5 million barrels a day by 1985.[1] In retrospect, Nixon's pledge looks simply ludicrous. Ford's decrease of two million barrels a day by the end of 1977 turned out to be an increase of 2·6 million barrels.[2] The Carter commitment had an escape hatch—the communiqué conveniently omitted the figure that was to be lowered by two and a half million barrels.

The importance of US energy policies requires little underlining. No other nation plays so many and so dominant roles in the international energy system—as consumer, producer, technological innovator, and as home for five out of seven major oil companies. And so the question of

[1] US Congress, Senate, Energy Committee, *Executive Energy Documents*, 95th Congress, 2nd Session, 1978, pp. 102, 172; Federal Republic of Germany Press and Information Office, *The Bulletin*, 2 August 1978.

[2] *Monthly Energy Review*, July 1978, p. 6.

Daniel Yergin is co-editor with Robert Stobaugh of *Energy Future: Report of the Energy Project at the Harvard Business School*, to be published in 1979, and author of *Shattered Peace; The Origins of the Cold War and the National Security State* (Boston: Houghton Mufflin, 1977; London: Deutsch, 1978). This article appears simultaneously in German in *Europa-Archiv* (Bonn) and in Dutch in *Internationale Spectator* (The Hague).

American energy policy has great importance not only for the United States but for all producers and consumers. And yet now, more than five years after the embargo, the march of petroleum imports continues. Despite a slight drop in the first half of 1978, imports picked up again in the second half of the year and will almost certainly be over 9 million barrels a day in 1979. And it is highly likely that they will continue to rise in the 1980s.

US Oil Imports
(millions of barrels a day)

Year	*US Oil Imports*	*Percentage of Total Oil Consumption*
1969	3·2	22·4
1971	3·9	25·8
1973	6·3	36·1
1975	6·1	36·8
1977	8·7	47·0

Source: Congressional Research Service, *Energy Information Digest*, p. 36; *Monthly Energy Review*, July 1978.

The dangers inherent in such a prospect are several. One is already evident—the strains such imports place on the US dollar, with the extraordinary weakness that has been evident since the summer of 1977. Rising US demand for foreign oil could coincide with some modicum of economic recovery throughout the industrial world, thus creating at some point in the 1980s a market with structural similarities to that of the early 1970s: non-Opec production running flat out, and demand pushing up against Opec production limits at then current prices. Once again, the international oil market would be a seller's market. The most likely immediate consequences would be one or both of the following: a rapid rise in price, and interruptions of supply for technical or perhaps for political reasons. In other words, the vulnerability on the part of the industrial world suggested by the events of 1973 and 1974 would be painfully reinforced. Such shocks could undermine the political order in Western industrial countries, which have depended upon economic growth to resolve domestic conflicts. Iran has underlined the dangers.

At the same time, this reborn 'energy crisis' would accentuate conflicts among the Western industrial countries. Differences on energy—and the elevation of energy to a security issue—have already created tensions among them. Such conflicts have been somewhat muted since they have sought to work together through such forums as the International Energy Agency,[3] but they have hardly been stilled. Differences on the relationship between nuclear proliferation and the development of reprocessing and breeder technologies have created considerable suspicions.[4] There

[3] For the tensions within the European Community and Nato, see Robert Lieber, *Oil and the Middle East War: Europe in the Energy Crisis* (Cambridge, Mass.: Center for International Affairs, 1976), pp. 12–16.

[4] See Karl Kaiser, 'The Great Nuclear Debate', *Foreign Policy*, Number 30, Spring 1978, pp. 83–110.

are two other major suspicions among other Western countries that receive little attention in the United States. Both flow from the perception of increasing US oil imports. The first is that the United States is pursuing a conscious strategy of integration with Saudi Arabia in order to pre-empt that country's production in a crisis. The second is that the United States is deliberately seeking to increase oil imports in order to hoard its own oil. Such suspicions, while no doubt only half believed even by many of those who advance them, have a distinctly corrosive effect, making long-term co-operation difficult.

Meanwhile, other Western governments have become increasingly explicit in their criticism of the apparent United States inability to restrain its appetite for imported oil. Thus, after meeting President Carter in January, President Giscard d'Estaing said: 'I told the President that something had to be done about the high level of US oil imports. It is essential for the world economy.' Prior to the Bonn summit, Chancellor Schmidt declared: 'Successful American handling of the US energy problem is going to be a key to what happens . . . to the world economy. . . I am quite sure of the inter-connection between what America does about its energy problem and what happens to the distorted world monetary situation.' In what was widely viewed as a break with previous practices, one of the most important Japanese officials publicly voiced similar strong criticism just before the summit.[5]

Many Americans tend to discount the relevance of such criticisms, suggesting instead that they represent attempts by the foreign leaders to shift attention away from their own political difficulties and failures. Such statements do reflect a measure of helplessness, but it is the helplessness that arises from a recognition that, no matter what steps other countries may take, their impact is insignificant when measured against America's oil consumption. Moreover, the quick dismissal of these concerns ignores the intensity with which they are expressed and the legacy of bitterness that American inattention at the practical level will leave behind.

The corrosive effects of a decade or more of such energy tensions would create considerable barriers to a co-operative response during market instability or supply interruptions. Governments would be hard pressed to do anything except respond to the most immediate short-term imperatives of their domestic politics. Finally, of course, this kind of market would mean enormous dependence upon one country, Saudi Arabia, requiring a doubling or more of current production levels in that traditional country. Iran stands as a warning.

[5] Giscard d'Estaing, cited in Daniel Yergin, 'France's War on Energy Waste', Harvard Business School Energy Research Project paper, June 1978; Schmidt in Federal Republic of Germany Press and Information Office, *The Bulletin*, 24 May 1978; Kiichi Miyazawa, head of Japan's Economic Planning Agency, in *New York Times*, 9 July 1978.

It would be a mistake, of course, to insist that US oil imports alone will shape the international energy system in the years ahead. But they do constitute, by far, the most dynamic element in that system. While US imports of Opec oil grew by 70 per cent between 1973 and 1977, those of most of the other major industrial countries declined or remained stable.[6]

Considerable disagreement

Within relevant official and public opinions inside the United States, there is an appreciation of the unhealthy trend in US imports, and, though somewhat more tentatively, agreement that the purpose of US energy policy should be to manage a transition away from imported oil. But a transition has another side. To what? At this point, general agreement gives way to the sharpest acrimony.

Certainly there has been some progress since October 1973. Yet, measured against the magnitude of the issues and the central role of the United States, surprisingly little seems to have been accomplished towards shaping a US energy policy that can manage the transition. The mix of energy sources—and how to achieve it—is the subject of considerable disagreement. It is important to understand the forces that have constrained the American response.

To begin with, energy issues have only very recently been elevated to a high place on the national agenda. Several changes came together in the late 1960s and early 1970s to upset the old system, which had been managed by the oil companies. Environmental movements began to limit formerly unfettered production. US oil production and proven reserves peaked and began to decline.[7] But demand for oil continued to grow, and so did imports of oil. Consumption of oil was increasing at a very rapid rate throughout the industrial world; OECD Europe's oil consumption tripled between 1960 and 1970.[8] Meanwhile, both nationalism and the bargaining power of the producing countries were becoming stronger, while that of the companies, the traditional representatives of the consumers, was weakening correspondingly. Finally, in the spring of 1973, the quotas that had limited US petroleum imports and insulated the US market were lifted. Thus the United States became integrated into the international energy system at the very time that the system—partly because of American entry—was rapidly becoming unstable.

The consequences were felt quickly soon enough—in the autumn of 1973. But the point to be made here is that the process of integration, which has continued apace, happened much more swiftly than either official or public opinion in the United States has been able to assimilate. There continues to be a major conceptual lag time in grasping how

[6] *Monthly Energy Review*, July 1978, p. 8; National Foreign Assessment Center, *International Energy Statistical Review*, 6 September 1978.
[7] Congressional Research Service, *Energy Information Digest*, p. 30.
[8] *ibid.*, p. 163.

involved the United States has become with the rest of the world on energy matters. Instead, the tendency has been to conduct the discussion on energy as a domestic debate, as though the United States were an insulated system and there were villains at home responsible for the difficulties.[9] In addition, there is an underlying faith—a part of the national tradition—in American abundance, and it is difficult to accept a notion of scarcity, of eventual exhaustion of physical resources.

Real stakes, of course, are involved. To frame an energy policy is to allocate large benefits and large costs and to distribute or redistribute income. The coexistence of both producers and consumers in very considerable abundance in the United States makes a definition of national interest quite difficult.

Deregulation of oil and natural gas is a case in point. Robert Stobaugh has calculated that Opec's price rise increased the value of known reserves of oil and gas in the United States by $800 billion.[10] As he has observed, it should not be surprising that the battle should be very bitter as to whether that extra wealth should be distributed to consumers (through the control of prices considerably below world market), to government (through taxation), or to producers (through the deregulation of prices). The question of distribution of income is not merely between producers and consumers, but also among regions, among firms and among different energy sources.

Every person in the country is directly and visibly affected by energy legislation, but in a wide variety of ways. The argument that national welfare is improved by, for instance, expenditures on defence is much harder to make for taxation policies on energy. So the Speaker of the House of Representatives, Thomas O'Neill, could rightly describe the energy question as 'perhaps the most parochial issue that could ever hit the floor'.[11] Making the matter even more difficult has been the genuine technical complexity. The range of uncertainty concerning any significant commitment is very large. The scientific-technological community itself is divided on virtually every major energy issue. The result of all of this is to deny the kind of consensus out of which major new initiatives can be taken. Indeed, one finds coalitions of interests able to stop efforts they oppose without being able to muster sufficient unity to push successfully their own proposals.

The first major initiative, taken originally at a time when the President

[9] According to President Carter's pollster, in 1976 no more than 6 per cent of the public regarded energy as one of the nation's most important problems. That figure rose to 35 per cent in the spring of 1977, when Carter introduced his National Energy Plan, but had dropped back to 20 per cent by the summer of 1978. *National Journal*, 22 August 1978, p. 1296.

[10] Robert Stobaugh, 'After the Peak: The Threat of Imported Oil', in Robert Stobaugh and Daniel Yergin, eds., *Energy Future: Report of the Energy Project at the Harvard Business School* (New York: Random House, 1979).

[11] *Congressional Quarterly Almanac: 1977*, p. 713.

was primarily concerned with fighting for his own political survival, was the Project Independence of the Nixon Administration. Invoking the spirit of the Manhattan Project and the Man-in-Space programme, Richard Nixon, three weeks after the embargo, announced the goal 'that by the end of the decade we will have developed the potential to meet our own energy needs without depending on any foreign energy sources.' The emphasis was very much on substantially increasing domestic supplies through conventional techniques, primarily through higher prices, and with a rapid expansion of atomic energy. That commitment continued into the Ford Administration. In January 1975, President Ford envisaged the construction within 10 years of 200 major nuclear power plants (that would have been 20 a year), 250 major new coal mines, 150 major coal-fired plants, 30 major new oil refineries, and 20 major new synthetic fuel plants.[12]

This strategy proved wholly unrealistic for a combination of technological and political reasons. It was impossible to decontrol prices in the way those administrations advocated. It was not at all clear that significant increments of oil and gas, above current production levels, could be called forth from the ground. To expect so much from nuclear energy when a virtual moratorium had already descended upon it represented wishful thinking. Environmental restraints, which had retarded coal and, more importantly, nuclear energy, could not simply be rolled back. In fact, the arms control community had entered into energy policy formulation in the Ford Administration, successfully slowing down a commitment to the 'plutonium economy'. Both Nixon and Ford had talked about conservation but, in terms of policy, this was a minor concern. Solar energy appeared virtually not at all in the plans of the two administrations.[13] When all was said, the effort to find an alternative to imported oil through an accelerated conventional production strategy was an obvious failure.

Carter's programme

The Carter Administration, taking office in January 1977, made a

[12] For the Nixon and Ford programmes, see US Congress, Senate, Energy Committee, *Executive Energy Messages*, 95th Congress, 2nd Session, 1978, pp. 86, 3, 145, 183–4. The most extreme version of the production strategy was a proposal that originated with Vice-President Nelson Rockefeller for a $100 billion quasi-independent agency to stimulate nuclear power and synthetic fuels in order to bring 'energy independence within ten years or less'. Needless to say, it was described as 'another Manhattan Project'. *New York Times*, 23 and 27 September and 11 October 1975.

[13] The two major pieces of energy legislation to come out of the Nixon–Ford years are the *Energy Policy and Conservation Act of 1975* (PL 94–163), and the *Energy Conservation and Production Act of 1976* (PL-385). The most significant provisions were in the first of the two Bills. A one-billion-barrel strategic oil reserve was authorized, and a series of stepped fuel economy standards for automobiles were set, which are to reach 27·5 miles per gallon on a fleet average basis by 1985.

much more sustained drive to develop a realistic energy programme. The National Energy Plan that emerged represented a shift in priorities and emphasis from the previous administrations. It embodied what might be called a transitional strategy. It drew upon a trend of thought that really defined itself in opposition to the high-production strategies. This alternative trend had been affected by the growth of environmental concerns. More central, however, was the idea that the United States was very wasteful in its energy use, especially given the sharp increase in the world value of oil, and that perhaps the most effective way to 'produce' new energy was by saving it. Attention was directed toward the 'renewables' —especially solar energy.[14] Finally, this trend tended to play down the advisability of further nuclear development. Those from the arms control community, restricting themselves to opposition to the uncontrolled development of a plutonium economy, argued for deferment of reprocessing and the breeder on proliferation grounds.[15]

These trends had a powerful influence on the Carter programme as it finally emerged in April 1977, and did mark significant differences from the previous administrations. The President emphasized that a major transition was at hand—no less significant than that from wood to coal at the beginning of the Industrial Revolution and from coal to oil and gas in the twentieth century. Carter raised conservation from the bottom of lists, where it had been languishing as an auxiliary, to first priority—'the cornerstone of our policy . . . our first goal . . . the cheapest, most practical way to meet our energy needs and to reduce our growing dependence on foreign supplies of oil.' Second, the plan leaned heavily towards replacing foreign oil with domestic coal. The programme proposed to spur coal production to double to 1·2 billion tons by 1985. Third, the plan called for the development of renewables, in particular solar energy. Fourth, the Administration sought mechanisms to raise energy prices so that 'the price of energy should reflect its true replacement cost as a means of bringing supply and demand into balance over the long run.'[16]

The Carter programme did not represent a sharp break with the proposals of the previous Administration, but it did represent a substantial shift in focus and presentation. In the most striking departure, Carter had made conservation the highest priority. He had discounted the feasibility of increased production of domestic oil and gas, and stressed the inevit-

[14] The most influential public statements of these views were the Ford Foundation Energy Policy Project, *A Time to Choose: America's Energy Future* (Cambridge, Mass.: Ballinger, 1974); Amory Lovins, 'Energy strategy; the road not taken', *Foreign Affairs*, October 1976, pp. 65–96; Lee Schipper and A. J. Lichtenberg, 'Efficient energy use and well-being: the Swedish example', *Science*, 3 December 1976.

[15] The most influential discussion was Nuclear Energy Policy Study Group, *Nuclear Power: Issues and Choices* (Cambridge, Mass.: Ballinger, 1977).

[16] US Congress, Senate, Energy Committee, *The President's Energy Program: A Compilation of Documents*, 95th Congress, 1st Session, 1977, pp. 2, 4, 5, 8, 10.

ability of a transition away from these fuels (whether foreign or domestic). For the first time, a national administration had characterized solar energy as a serious, near-term energy source. And, while calling for a streamlining of the nuclear power licensing procedures in order to increase the contribution from atomic energy, the President still backed away from it, characterizing it as an unpleasant necessity, 'a last resort'. Even this limited acceptance applied only to the light water reactor. On 7 April, two weeks before his energy message, the President officially took a stand against reprocessing and the breeder.[17]

Two key goals were set—to reduce growth in energy demand to less than 2 per cent a year and to bring imports in 1985 down to six million barrels a day, as opposed to a potential level, if unchecked, of 10–14 million barrels a day. The National Energy Plan was, at its heart, a tax and pricing programme. The goal, as the Energy Secretary, James Schlesinger, has expressed it, was 'to establish a pricing and tax framework within which decisions can be made, rather than the jerry-built structure that was constructed after the 1973 embargo'.[18]

The centrepiece of the Carter programme was the crude oil equalization tax, which was to bring new oil up to world market prices. The price of all new natural gas, whether inter-state or intra-state, would be regulated, but at higher prices, equal to the energy equivalent of oil priced at the world market. There would also be taxes on industrial users of oil and natural gas to get them to convert to coal; and tax credits for conservation and solar energy. New cars that did not meet fuel efficiency standards would be hit with 'a gas guzzlers tax'. A standby gasoline tax authority would be available if certain consumption targets were exceeded. Utility rates were to be reformed to discourage increasing electricity consumption. A quadrupling of nuclear power was projected by 1985 (from 1 million barrels a day of oil equivalent to 3·8 m. b/d).

The National Energy Plan comprised an immense and complicated range of proposals. Yet the proposals to implement the provisions concerning conservation and solar energy were rather minor, compared to the declaratory stress laid on them by the President in his speeches. The actual conservation measures were not very different from those proposed by Gerald Ford, and the bureaucratic follow-through was slight. Meanwhile, the programmatic commitment to nuclear energy was greater than the declaratory. And, curiously, the plan assumed no increase in the real price of oil on the world market.[19]

In August 1977, the House of Representatives unenthusiastically passed the programme, roughly intact. Such was not to be the case in the

[17] US Congress, Senate, Energy Committee, *Executive Energy Documents*, 95th Congress, 2nd Session, pp. 379–85.
[18] *National Journal*, 11 February 1978, p. 231.
[19] Executive Office of the President, *The National Energy Plan* (Washington: US Government Printing Office, 1977), pp. xv–xxiii, 96.

Senate where the Bill stalled—its momentum apparently exhausted. The programme had been conceived very much in isolation, with little effort made to build a consensus in its favour. In particular, the Congress was not involved. Thus, it proved very difficult to find any committed champions on Capitol Hill.[20] The President in his early appeals overstressed the element of sacrifice, frightening many people, rather than suggesting that conservation could mean more money in their pockets. In other words, he appealed to altruism rather than self-interest—rather difficult when a crisis is not felt. Even more important was one critical fact—this 'tax and price' programme had no one strongly in its favour. As Schlesinger pointed out: 'The basic problem is there is no constituency for the energy program . . . there are many constituencies opposed.'[21]

Opposition to the Carter plan

For the most part, producers were highly critical of the Carter plan for what they maintain is its failure to encourage production. Their villains are environmental regulations, price controls, and lack of federal incentives. Their position has been summed up by Russell Long, the powerful chairman of the Senate Finance Committee, which oversees tax measures. Long described the programme as 'an unmitigated disaster on the production side'. He added: 'We have reserves of oil, gas, coal, shale oil, geopressured methane and various energy sources sufficient to last us for hundreds of years. The sad fact, however, is that misguided government policy, bureaucratic indecision, and an increasingly dangerous "no growth" attitude on the part of some segments of our society have caused great disincentives to expand energy production.' The producers themselves have been no less outspoken in their criticism. For instance, a senior official of the Texaco Company recently declared: 'The energy area is overregulated, over-controlled and "under-understood". . . Conservation is not enough—and certainly not the kind that is being promoted today. . . The real answer lies in developing our own energy supplies.'[22] Firms engaged in the development of nuclear power have been as outspoken in their attacks on the Carter programme—which undercuts the contention that the Carter stand on nuclear policy is actually part of a Machiavellian effort to gain commercial advantage over such countries as Germany and France.

While producer interests pushed against the National Energy Plan from one side, on the other, consumer interests—represented by con-

[20] The consequences of the isolated construction of the plan became quickly apparent in the way that a number of key Congressional oversight agencies criticized the basic consistency of the plan as to what it could accomplish in terms of increasing domestic supplies and reducing oil imports.

[21] *Congressional Quarterly Almanac: 1977*, p. 710.

[22] Long in the *National Journal*, 5 November 1977, p. 1717; Texaco's Senior Vice-President, Alfred C. DeCrane, Jr, 'United States Energy Policy, Programs, and Prospects: An Appraisal', speech, American Bar Association, 8 August 1978.

sumer lobbying groups and Congressional representatives from the industrial Midwest and Northeast—generally opposed any relaxation in price controls. They have argued that the tax and price proposals would effect a highly inequitable and unjustified redistribution of income, and that American consumers should not be 'subjected' to Opec's 'arbitrary' price. The Consumer Federation of America, for instance, attacked the Carter programme as a 'paradise for producers and purgatory for the public'. It argued that the plan would 'cost consumers $100 billion in 1985 if all the price and tax proposals were passed without rebates... and reinforce and expand the monopoly power of the major oil companies'.[23] With opinions so bitterly divided, and the perceptions of the distribution of benefits so sharp, it is not surprising that the efforts to advance towards a meaningful energy programme in the United States have been stalemated.

Indeed, in the midst of this intense contention, it proved enormously difficult to take any major steps. The Senate killed the crude oil equalization tax, which Carter had called the centrepiece of his programme. The 'centrepiece' then shifted to the natural gas proposal about which the Senate and the House passed quite different Bills. Nine months were then spent in conference committee between the two houses, leading Schlesinger to observe at one point: 'I understand now what Hell is. Hell is endless and eternal sessions of the natural gas conference.' At last a compromise emerged that temporarily brings intra-state gas under federal regulation, but is eventually to end the regulation on all new gas. Conservatives opposed it because intra-state gas would be controlled; liberals opposed it because it would mean higher prices. The Carter Administration used all its prestige, warning of the effects on the dollar and on the policies of the other industrial nations should the compromise be rejected. The Natural Gas Bill was approved by the Senate on 27 September, and the entire energy package was passed by Congress on 15 October.[24] Yet it is widely recognized that the programme as passed, including the Natural Gas Bill, will have little effect on the central problem—the increasing tide of imports. Meanwhile, proposals for a 'Phase II' of the energy plan, to augment supplies, have been stalled. There are still fundamental misapprehensions about supply options governing the policy programme in the United States.

A careful analysis of 'real world' possibilities, as opposed to computer models, leads to the following conclusions, which are quite at variance with dominant attitudes.[25] At best, domestic oil and natural gas pro-

[23] Energy Policy Task Force of the Consumer Federation of America, *Annual Report*, 1977, pp. 8–9.

[24] *Wall Street Journal*, 28 September, 16 October 1978. Schlesinger in *National Journal*, 13 May 1978, p. 767.

[25] These assertions reflect some of the conclusions of a three-year study by the Harvard Business School Energy Project; see Robert Stobaugh and Daniel Yergin, eds., *op. cit.*

duction can be kept constant. The barriers to increased coal utilization are considerable, and the Carter goal of 1·2 billion tons by 1985 is likely to suffer a substantial shortfall. The de facto moratorium on nuclear power is likely to continue. On the other hand, unconventional sources can make substantial contributions, and are the real alternative to increasing imports. Conservation is the most readily available, cheapest supply option. It continues to be only lightly exploited. Decentralized solar energy is close to commercialization, and could reasonably supply up to a quarter of America's energy needs by the end of the century. Both of these energy sources have yet to be given a fair chance against the entrenched conventional sources. The Carter programme began to move in that direction, but Congressional opposition and lack of consensus either on problems or solutions have shortened even those tentative steps. The real centrepiece of American energy policy continues to be stalemate, and that means ever-increasing American imports of foreign oil—until perhaps the point is reached at which the international energy system can no longer stand the strain.

The Soviet Union and the Middle East: strategy at the crossroads?

KAREN DAWISHA

The complexity of inter-Arab politics, the increased importance of the Middle East in international relations and the contradictions between the various objectives of Soviet policy increase the repercussions of failure; but Moscow's growing flexibility enhances its chances of success.

By the end of the year, it will have been a decade since Anwar Sadat became President of Egypt. During that time the Soviet Union's policy has been dominated by attempts, first, to prevent the loss of its influence in Cairo and, when that proved unavoidable, to find a client-state capable of replacing Egypt as the linchpin of Soviet policy. The success of these efforts, however, has been severely limited by Moscow's failure to realize that the days have long since passed when the Middle East could be rigidly divided into Soviet and Western spheres of influence. The arrival of the oil weapon and the changing pattern of alliances between the 'conservative' and 'progressive' regimes in the Middle East demand of the

Dr Dawisha is a Lecturer in the Department of Politics at the University of Southampton and has recently returned from a visit to the Middle East; author of *Soviet policy towards Egypt* (London: Macmillan, 1979).

Soviet Union a flexibility of approach and a quickness of response not previously required, and it is on the ability of the Soviet leadership to meet this challenge that the success of its policy in the 1980s depends.

Geo-strategic, ideological, and economic influences on Soviet foreign policy are fairly stable and will continue to define the broad parameters within which that policy is formulated. The proximity of the Middle East to the USSR and its reliance on the Mediterranean and the Suez Canal as shipping and naval routes remain consistent reasons cited by the Russians for their legitimate interest in the area and their desire to prevent any conflict breaking out which might threaten Soviet security. Equally, however, for ideological reasons the USSR feels constrained to support movements for national liberation, and the affirmation of the Palestinians' legitimate right to establish a state within Palestine, while not contributing to the maintenance of stability and the status quo in the area, has nevertheless been a stable feature of Soviet policy. The rich natural resources of the Middle East are also of growing interest to the Soviet leaders, who realize both that their own oil and gas reserves will not for long meet their requirements and that the encouragement of Arab economic independence could seriously destabilize the Western economies. While the Soviet Union would clearly welcome or even encourage any trend likely to reduce Western influence in the Middle East, this objective must constantly be balanced and reconciled with the overriding Soviet desire to strengthen détente and prevent any situation arising which would lead to a direct confrontation with the United States. The complexity of inter-Arab politics, the increased importance of the Middle East in international relations, and the apparent contradictions between the various objectives of Soviet policy decrease the likelihood of success, while at the same time increasing the repercussions of failure.

Opposition to a separate settlement

The Soviet Union has been resolutely opposed to any efforts by individual Arab states to deal with Israel outside the context of a unified approach with the full participation of all the parties to the conflict. Ever since the joint Soviet-American statement on the Middle East issued in October 1976, which the Soviet leader, Mr Leonid Brezhnev, subsequently expanded (in his March 1977 speech to the Soviet Trade Unions Congress) to include a Soviet role in guaranteeing any settlement which might be reached, the Soviet view of the prerequisites for a lasting peace in the Middle East has been consistent: Israel should withdraw to its pre-1967 borders; the legitimate rights of the Palestinians to establish their own state should be recognized; and provision should be made for a 'reliably guaranteed security' for all states in the region, including Israel. In reaching such a settlement, all the parties to the conflict must be present—including both the Palestine Liberation Organization (PLO)

and the Soviet Union. In his most recent speech on the Middle East, Brezhnev once again affirmed the Soviet belief that 'in whatever "framework" the separate deal that covers up the capitulation of one party and consolidates the fruits of the other's aggression—Israel's aggression—is dressed, it can only make the situation in the Middle East more explosive.'[1]

It is important in assessing likely changes in Soviet policy to consider why it is that the USSR is set against President Sadat's initiative[2] and whether there is any real basis to Brezhnev's statement that a separate agreement will only exacerbate existing tensions. Should a treaty be signed, it would mark the success of Sadat's view that while the Russians can provide arms, only the Americans can provide peace; he would be vindicated in his belief that the Soviet Union will be unable to play a constructive role in the peace-making process so long as it has no influence with Israel. As for the United States, it is willing to exert what pressure it does on Israel precisely because of Egypt's support for the achievement of a major American goal, the exclusion of the Soviet Union from the area. The conclusion of a separate treaty might serve as an unwelcome precedent to other states in the region, and in particular Jordan, presently favouring a comprehensive settlement with Soviet participation. Any separate agreement would certainly be seen in Moscow as a setback for Soviet policy, but it is not in the conclusion of an agreement so much as in its repercussions that the Soviet leaders see increased chances for instability and conflict.

A treaty with Israel would allow Egypt to divert much of its military spending to economic development: the Canal cities could be rebuilt, and a more favourable climate for international investment would result. In this way, the success of Sadat's Open Door policy which seeks to attract Western aid and investment is absolutely dependent upon the conclusion of a peace treaty with Israel. Just as there is no doubt that Egypt would prefer to sign a comprehensive treaty with Israel which would allow the full participation of all the parties and take into account the interests of the whole Arab world, so also is there little doubt that, if this option is not open, Sadat is willing to go it alone and put Egypt's interests above those of the other Arab states. The Soviet Union is equally determined, however, to do everything to prevent Egypt's Open Door policy from succeeding, not only because of the mutual recriminations which have characterized Soviet-Egyptian relations since the abrogation of their friendship treaty in 1976, but also because the success of the Open Door policy might serve as a model for other Soviet clients in the area—especially Syria. It could also conceivably result in the restoration of a

[1] *Pravda*, 23 September 1978.
[2] For background, see Keith Kyle, 'President Sadat's initiative', *The World Today*, January 1978.

degree of Western influence over access to the Suez Canal that has not been seen since Nasser nationalized it in 1956. With the establishment of American listening posts in the Sinai, the United States would be in a position to monitor any Soviet naval build-up in the Indian Ocean. The conclusion of a separate treaty and the strengthening of Egypt's ties with the United States thus is seen by the Soviet Union as constituting a major threat to its own security interests in the area.

A further major effect of a peace treaty between Israel and Egypt would be to remove the possibility of Egypt making any significant contribution to future military operations against Israel. Even if under the treaty Egypt were to maintain the option of coming to the aid of any state attacked by Israel, the first-strike capability of the Israeli air force is now such that any aid which Egypt could provide is likely to prove 'too little, too late'. Soviet commentators agree with the other Arab states that the conclusion of an Israeli-Egyptian treaty would substantially swing the balance of power in Israel's favour. They also agree that if Egypt is removed as a confrontation state, the likelihood of Israel voluntarily returning the West Bank and the Golan Heights to Arab sovereignty is reduced. As a result, unless there is a change of policy in Israel or unless the Arab governments abandon the Palestinian cause and sign treaties recognizing Israel within its present boundaries, it is calculated that the chances for a lasting peace in the area have been decreased and not increased by Sadat's pursuit of a separate agreement.[8]

It is unlikely that the Israeli Government would willingly return the Golan Heights to the Syrians or agree to the establishment of an independent and fully sovereign Palestinian state on the West Bank. It is just as unlikely that the Arab states will ever accept Israeli control of occupied territory. This unresolved source of conflict will necessitate continued high levels of military expenditure and preparedness by the two sides, and it is in the prospect of the Arabs, and particularly the Syrians, getting involved in a war they could not possibly win that the Soviet leaders see the major source of conflict in the future.

Dilemma over Syria

The relationship between the Soviet Union and Syria has always been strong, but with the abrogation of the Soviet-Egyptian treaty Moscow's dependence upon Syria as the mainstay of its policy in the area has been increased. Of particular interest to the Russians is the acquisition for their Mediterranean fleet of port facilities capable of replacing those lost in Egypt after 1976. Soviet leaders have asked for extensive repair and resupply facilities in Latakia and Tartous, but thus far the Syrians have strictly limited Soviet naval access. The Syrians, for their part, have never shared the Egyptian view that the resolution of the Middle East conflict

[8] See, for example, *Izvestia*, 19 September 1978 and 7 January 1979.

can be achieved through exclusive reliance on the Americans. Rather, they continue to depend upon the Soviet Union for weapons supplies, and they favour Soviet participation in any negotiated settlement. This interdependence has thus far resulted in a stable and pragmatic relationship, primarily because Assad, unlike Sadat, favours mutual consultation and patient negotiation to resolve disagreements, rather than airing them in public. Assad's personal style is responsible to a large extent for the stability of these relations, despite the fact that there are substantial differences between Damascus and Moscow on several issues.

It is important to remember that Egypt is not the only state to have expanded its economic relations with the West since 1973. Syria, too, has been pursuing its own limited Open Door policy. In 1977, non-military imports from the Soviet Union totalling S£362 m. were substantially behind the S£454 m. spent on American-made products.[4] By the end of 1978, West Germany had surpassed both of these figures to become Syria's number one trading partner.[5] Now that the Euphrates Dam has been completed, the number of major projects being built with Soviet assistance has declined, with only an estimated 100 Soviet technical advisers still working in the country.[6] Thus Syria's dependence on the Soviet Union for all but military equipment is on the decline. The fact that Soviet weapons are paid for by the Syrians in hard currency provided by the oil-rich Arab states increases Syria's options and indeed provides Syrian leaders with the opportunity to seek alternative sources of supply if Soviet arms deliveries are not forthcoming.

At the same time, Soviet dependence on Syria as a factor in the Great Power equation has if anything increased since 1976. With the military coup in Afghanistan, the collapse of American influence in Iran and the reconciliation between Iraq and Syria, there is for the first time a prospect that an unbroken chain of anti-Western regimes will be created on the Soviet southern flank. As the only state in this chain with Mediterranean ports, the Syrians are in a favourable position to maximize their influence in Moscow. Despite this imbalance in Syria's favour, the Soviet leaders' continued reluctance to meet all the Syrian demands for weapons points to remaining differences in their respective views on the Middle East conflict.

The persisting instability in the Lebanon and the Syrian role there present difficulties for the Soviet Union. When the Syrians first intervened in June 1976, it was to aid the Christians against the Soviet-backed

[4] *Syrian Yearbook, 1977* (Damascus: Central Bureau of Statistics, 1978), p. 351.

[5] According to Dr Rafiq Jawajati, Director-General of the West European Department, Syrian Ministry of Foreign Affairs, in an interview with the author on 4 January 1979.

[6] According to Hasib Istawani, Director of Information, Syrian Ministry of Foreign Affairs, and Mohammed Khidher, Director-General of the Arab Affairs Department, in interviews on 17 December 1978 and 4 January 1979.

Palestinian-leftist alliance. Mr Brezhnev sent a letter to President Assad appealing for a Syrian withdrawal and when this was not forthcoming ordered a slow-down in weapons deliveries. The Brezhnev letter was leaked, according to Assad, by the Soviet leaders themselves to show the tough stance they would take against any state seeking to suppress a just movement for national liberation.[7] However, the fact that the arms cut-off was never total and the public Soviet denunciation of Syria's behaviour was always guarded lends support to the statements of some Syrian officials that privately the Soviet leadership (and in particular the Prime Minister, Mr Kosygin, who was in Damascus on the day the Syrian intervention began) supported the action.[8] Soviet reluctance to condemn completely Syria's moves against the Palestinians underlined only too well the precedence which strategic interests took over ideological considerations in the formulation of policy.

By April 1977, when both President Assad and the PLO leader, Yasser Arafat, visited Moscow, the Russians were publicly supporting the Syrian role which had by now changed to prevent either the Christians or the leftists from gaining an overwhelming victory. Arms deliveries were restored to their previous high levels, and until the Israeli invasion of south Lebanon in March 1978, the Soviet leaders considered the Syrian presence there to be a stabilizing force. However, since the Israeli invasion, there has been a heightened risk that a local skirmish in Lebanon might spill over, sparking off a new Middle East conflict. The fact that such skirmishes have increased, and not decreased, since the Sadat initiative is interpreted by Soviet and Syrian commentators as proof that Israel is prepared to use the changed balance of power to improve further its military position along Syria's borders. This, plus the effect on Syria's defence policy of Egypt's withdrawal from any unified Arab strategy, creates a fundamental problem for both the Syrian and Soviet leaders, and it is clearly a problem to which they have differing solutions.

The Syrian view that the military balance between Israel and its Arab neighbours had shifted in Israel's favour following Camp David was the subject of Assad's visit to Moscow last October. The joint communiqué referred to 'decisions' which had been taken to redress the imbalance,[9] and the Syrian Minister of Information subsequently confirmed that Assad was given to believe that the Soviet Union would build up Syria's military potential to match Israel.[10] In November when a high-level military delegation led by Syria's Chief of Staff, Hikmat Shihabi, flew to

[7] The Brezhnev letter is contained in *Events* (London) No. 1, 1 October 1976, p. 23. Assad's allegation is made in an interview in the same issue.

[8] According to the author's interviews with Syrian officials in Moscow, April 1977.

[9] *Pravda*, 7 October 1978.

[10] Interview with Ahmed Iskendar, the Syrian Minister of Information, in Damascus on 19 December 1978.

Moscow to finalize details of the arms transfer, they were surprised to discover that the Soviet leaders had completely changed their minds and were no longer prepared to supply the most advanced items on the Syrian shopping list, including not only the MiG-27s but also T72 tanks and advanced missile systems with integrated radar. Shihabi broke off negotiations and returned to Damascus after completing only half of the scheduled six-day visit.[11]

The Soviet attitude was all the more mystifying to the Syrians in view of the dramatic reconciliation between Iraq and Syria which had resulted from the Baghdad summit convened earlier in the same month. The participants had allocated £925 m. per year to Syria for the re-establishment of the strategic balance with Israel,[12] so it was certainly not lack of finance which was the cause of the breakdown in talks. To the Syrians it appeared that the Soviet Union was protecting its Great Power interests by *not* introducing weapons into the area which might lead to a new war. The dispute reached its height when Assad recalled his ambassador to the USSR and cancelled a trip to Moscow he was to have made with Iraq's Vice-President, Saddam Hussein. Only after the latter's personal intervention on Syria's behalf did relations begin to improve, and the visit by the Syrian Prime Minister, Mustafa Tlas, in January achieved a renewed Soviet pledge to provide advanced weaponry, although it is still not certain that MiG-27s are to be supplied.[13] The sudden Soviet reluctance to serve as the arms supplier to Syria is thought to signal a major shift in Soviet strategy towards the Middle East. At a time when Soviet-American détente is at a crossroads and when the alignment of forces in the Middle East is even more contradictory than usual, the need for caution and an evaluation of the costs and benefits of various courses of action weighs heavily in Soviet calculations.

Changing assessment

In their attitude towards arms supplies to Syria, the Soviet leaders are faced with contradictory objectives. On the one hand, Syria is an important ally and it is becoming more important. It now has close relations with Jordan, Saudi Arabia and Iraq. The rapprochement with Baghdad will also eliminate some of the divisions within the Palestinian movement, and Syria's influence over the PLO and its armed wing can be expected to increase. Although Syria's continued presence in the

[11] Interview with Nasser Qadoor, Syrian Deputy Foreign Minister, in Damascus on 17 December 1978. Also see *The Observer*, 17 December 1978.

[12] *The Times*, 24 November 1978.

[13] Interviews with Adnan Nashabi, Director-General of the Soviet and East European Department, Syrian Ministry of Foreign Affairs, Damascus, 21 January 1979, and with Zuhar Ginan, Director-General of External Relations Department, Syrian Ministry of Information, Damascus, 18 December 1978. Also Foreign Minister Khaddam's interview in *Al-Mostaqbal* (Paris), 30 December 1978, p. 14; and the *Financial Times*, 11 January 1979.

Lebanon constitutes a severe drain on the morale of its army as well as on its economy, Syria will nevertheless be able to exercise a key role in any political settlement in that country. For these reasons the Soviet Union is seeking to maximize its influence in Syria.

However, because the Syrians are not dependent on the Soviet Union for anything except weapons the only way to maintain, much less extend, their influence is through arms supplies. But the introduction of sophisticated weaponry could conceivably exacerbate the situation in the Middle East and undermine other fundamental Soviet objectives. The Syrians argue that a military build-up is necessary not so much for future offensive operations but to act as a deterrent against an Israeli strike. According to Syrian officials, however, the Russians see the situation slightly differently. They argue that a prerequisite for supplies should be a strong defence alliance between Syria, Jordan and Iraq, with a joint command and an increased Jordanian combat commitment. Otherwise, if sophisticated weaponry were introduced into Syria before a common strategy was agreed, this would amount to an open invitation for Israel to launch a pre-emptive strike. Soviet leaders believe that Israel's hostility towards Syria is such that in the event of an attack Israel would repeat its past behaviour towards the Syrians by striking not only at their military installations but also at key economic targets such as the dams, the oil pipeline and the ports. And if the Syrian air force could not prevent these strikes taking place in 1973, there is certainly some justification in continued Soviet apprehension about the current quality of Syrian air defences.[14]

The Soviet leaders may also fear that the Syrians might use the advanced weaponry to start a war of attrition with Israel or to challenge Israeli incursions into Lebanon. Past Syrian behaviour in the wars with Israel as well as in the invasion of Lebanon has sometimes been motivated more by commitment to principles than a rational calculation of capabilities. Unless Syria can be sure of the full support of other Arab states, any military solution is bound to be disastrous, and although Iraq may be willing to form a joint defence pact, Syrian territory would nevertheless be terribly exposed in any confrontation. This vulnerability is increased by Jordan's continued reluctance, reaffirmed once again at the Baghdad summit, to become a full confrontation state.[15] The Soviet strategic

[14] That the Russians were pressing for a strong defence alliance as a condition for the supply of further weaponry was confirmed by Ahmed Iskendar in the interview on 19 December 1978.

[15] In an interview with Said al-Tal, the Jordanian Minister of Communications, on 28 December 1978 in Amman, he confirmed that Jordan's relations with the Great Powers will not be changed as a result of the Baghdad summit. In relation to the possibility of increasing its combat commitment and forming a unified defence alliance under Soviet sponsorship, he maintained that 'Syria and Iraq know very well what Jordan can do and where Jordan can go. This was made very clear at the Baghdad summit, and the new relationship is based on this assessment.'

nightmare therefore is of a possible Syrian military collapse that would necessitate a direct Soviet involvement to save an ally, but would almost certainly risk a confrontation with the United States.

Recent Soviet behaviour indicates awareness of the contradictary nature of events in the Middle East and of the necessity to break out of the isolation of being seen only as an arms supplier. In this respect, the most interesting development is the changed Soviet attitude towards Saudi Arabia. The Saudis have always been applauded in Moscow whenever they took a stand contrary to Western interests, as in the 1973 oil boycott. Yet the emergence of Saudi influence on Middle Eastern politics, especially after the Riyadh conference in October 1976 which brought about a cease-fire in the Lebanon, was assessed cautiously at first by Soviet officials and analysts who nevertheless welcomed Saudi mediation.[16] With Saudi condemnation of Camp David's failure to deal with the questions of the Palestinians and Jerusalem, however, the Soviet leaders seem to be more interested in co-ordinating overall Arab opinion against a separate settlement. Moscow has been helped in encouraging a united stand by the effect of the events in Iran on Arab politics. On the one hand, the Saudi leaders, who claim to be the sole protectors of Islam, now more than ever are anxious to be seen working for the re-establishment of Arab control over the holy places in Jerusalem. Equally, the Sunni minority leadership in Iraq is concerned about the possibility of the Shi'ite majority joining with their co-religionists in Iran. It is thought that the Iraqi regime thus has an added interest in uniting with the Allawi-dominated leadership in Syria, since, because of the affinity between the Allawis and the Shi'ites, this might appease Shi'ite discontent in Iraq. These factors are helping to bring about a unity in the Arab world which no one had thought possible a year ago.

Soviet reaction to the emergence of this unusual constellation of radical and moderate regimes has been to encourage unity and to investigate the possibility of improving relations with the moderate states even further. Brezhnev was reported to have sent two messages to King Khaled in December, one written setting out the Soviet position on Camp David and one oral expressing Soviet interest in the purchase of Saudi oil. It was confirmed by Jordanian and Syrian officials that the head of the Middle East department of the Soviet Foreign Ministry, in a recent trip to the Middle East, also put out feelers regarding the establishment of diplomatic relations with Riyadh. This trend continued when a recent article in the influential Soviet weekly *Literaturnaya gazeta* referred positively to Saudi Arabia's contribution to Arab politics, an

[16] Interviews in Moscow with E. D. Pyrlin, Deputy Head of the Near East Department of the Soviet Ministry of Foreign Affairs, and Professor G. I. Mirsky of the Soviet Institute of World Economy and International Relations, May 1977.

assessment evidently meant to serve as a prelude for the visit by a Soviet trade delegation to Riyadh early this spring.[17]

If Moscow is successful in taking advantage of the current strain in relations between Saudi Arabia and Washington, with the prospect of encouraging the formation of a united front against Israel and Egypt, it would be a major victory for the Soviet Union. The moderating influence of Saudi Arabia and Jordan on Syria might caution the Damascus regime against taking any uncalculated military measures against Israel. Equally, a union between Iraq, Syria, Jordan and Saudi Arabia would certainly increase the consequences to Israel of any pre-emptive strike it might launch. In reducing the likelihood of military involvement, the Soviet Union's desire to prevent direct confrontation with the United States would be achieved.

The parallel Soviet objective of encouraging trends which might lead to the weakening of Western influence might also be meeting with renewed success. Any union between Iraq and Syria would certainly create a powerful pro-Soviet central core in the Arab East. At the same time, continued American promotion of a separate settlement, seen in much of the Arab world as favouring Israel's interests, is likely to exacerbate relations between Washington and its oil-producing allies. Given the events in Iran, the United States can ill afford any further anti-Western backlash. The Saudi decision to cut back oil production was made partly in answer to Senator Frank Church's criticism of Saudi policies as being an obstacle to peace. The speed of the Carter Administration's dissociation from Church's remarks points to the realistic assessment within the State Department of the current weakness of US policy. A similar conclusion must also have been reached in Moscow, as witnessed by the shift in the Soviet view of the events in Iran from support for the Shah to full advocacy for his overthrow,[18] despite the fact that Iranian oil and gas have also stopped being exported to the Soviet bloc. The explanations for recent Soviet successes lie just as much in the failures of Western policy and the dynamics of Arab politics as in skilful and flexible Soviet diplomacy. Nevertheless, any further setbacks for the United States in the area might well give Soviet leaders legitimate reason to conclude that their fortunes in the Middle East, so low in the 1970s, hold good prospects of turning to their advantage in the 1980s.

[17] *Literaturnaya gazeta*, No. 5, 31 January 1979.

[18] Compare, for example, an official Tass statement on the Iranian crisis in September which contained no criticism of the Shah (*Pravda*, 9 September 1978) with Soviet broadcasts to Iran in January 1979, one of which supports 'the just struggles of any nation which is suffering from the oppression and cruelties of imperialism and its associates.' (BBC, *Summary of World Broadcasts*, Part 1, SU/6006/S4/4, 3 January 1979.)

'Unlimited sovereignty' in Cambodia: the view from Bangkok

ROGER KERSHAW

The late Cambodian regime gave Thailand a respite not, essentially, because of Thai diplomacy but because its extremism involved it in war with Vietnam. Consequently, both Cambodia and Vietnam had to solicit Thailand's neutrality.

THE title echoes that of a recent contribution to the journal in order to focus on a major (and undoubtedly accurate) assumption of Thai foreign policy since 1975: that the revolutionary Cambodian regime was sovereign and autonomous in relation to Hanoi.[1] But a less justified related hope was that Phnom Penh would prove responsive to the pressure of its supplier, China, as to its relations with Thailand. This article examines the underlying assumptions and content of Thai policy in the light of Cambodian behaviour and other international realities, and sketches an account of profit and loss. However, since Phnom Penh's perception of Thailand, as well as disunity in successive Thai governments, have been further factors in the total complex of relations, the nature of the Thai polity will first be considered.

Ambiguous polity

A significant feature of Thai politics in the 1970s has been the more even tempo of the classical oscillation between civilian and military government. Whereas civilian governments were previously short-lived

[1] Dennis Duncanson, ' "Limited sovereignty" in Indochina', *The World Today*, July 1978. The present writer would, however, hesitate to echo the suggestion that Pol Pot's group has never been part of any organization tracing its origins to the ICP—even if Pol Pot himself asserted it (alongside more ambiguous statements). On the other hand, the role of Vietnamese weaponry and transport, even in the capture of Phnom Penh, cannot be too much emphasized. The writer is particularly indebted to Christoph-Maria Fröhder (whose film of the fall of Phnom Penh was screened by the BBC programme *Panorama* on 20 October 1975) for a recent personal communication in this regard; and some cautious observations on military Khmerization in an earlier book review seem justified (see *Asian Affairs*, February 1974, p. 89). However, one might speculate that it was a demonstrated *political* independence of the Khmer Communists which, in part, led Hanoi to recognize Prince Sihanouk as the 'sole legal head of Cambodia', see *The Times*, 11 April 1973. Political independence and an autonomous military command are discussed in the author's 'Cambodian National Union—a milestone in popular front technique', *The World Today*, February 1976, p. 62.

Dr Kershaw lectures at the Centre of South-East Asian Studies at the University of Kent. He returned last October from a year's study leave in Thailand.

and military governments long-lived, the Thanom military government of 1971 lasted less than two years, compared to the two and a half years of its civilian (though also Thanom-led) predecessor of 1969. The three-year period of democracy, 1973–6, has been followed by a spell of authoritarian government which seems set to terminate with next month's elections—albeit under a conservative Constitution—after only two and a half years.[1] Whatever the manifest internal factors precipitating liberalization—a student revolt in 1973, labour unrest or the populist notions of Army 'Young Turks' facing the Communist Party of Thailand (CPT) in the villages in 1977—they are elements in a single, broader phenomenon of social and cultural change which authoritarian government seems unable either to suppress or to manipulate to its permanent advantage. But the urge to make the attempt is always present because social change, taken to its apparent, logical conclusion, means Communism, and the argument of weak civilian governments that democracy is necessary to *forestall* Communism may seem dangerous to those who monitor the growth of Communist influence among students, labour and peasantry in times of mass political participation. Furthermore, the background to the 1976 coup included the fear on the political Right that the 'détente' with Communist powers pursued by two democratic governments since the communization of Indochina would lead to defencelessness.

In practice, of course, Thailand's strategies for dealing with the Communist assault internally and externally are eclectic, never exclusive, under civilian as well as military regimes.[2] But the dramatic alternation between these two types of regime may have an exaggerated demonstration effect both inside and outside the country, so that the Thai Right believes liberal governments to be 'softer' in their foreign policy than they really are and Communist governments abroad may take authoritarian governments of Thailand to be more militant in their international stance than they really are. Thus a military regime such as that of General Kriangsak, who came to power in November 1977, has to work doubly hard to make a policy of détente credible. Yet it is fair to add that elements in the Thai Armed Forces are in a position to pursue their own line in foreign policy towards neighbouring states because as soldiers they have control of the border areas under martial law. Contradictions between foreign policy declarations and practice may emerge not only under democratic governments but also under a liberalizing General like Kriangsak,

[1] On the coup of 6 October 1976, see Roger Kershaw, 'Thailand—a coup with a difference', *The World Today*, November 1976. The civilian Prime Minister appointed by the Armed Forces, Thanin Kraivichien, was deposed by the same military group on 20 October 1977.

[2] On the foreign policy of the Kukrit Administration, see Roger Kershaw, 'Thailand after Vietnam: after Vietnam Thailand? The directions of Thai diplomacy in 1975', *Asian Affairs*, February 1976.

whose authority over the military is incomplete. The difficulties of Kriangsak's position in relation to Communist Cambodia have thus been peculiarly compounded, and for the sake of Cambodian goodwill he has tacitly admitted to blemishes on the Thai record and has shown extraordinary restraint in face of growing Cambodian aggression, even risking overthrow by those elements which, if they did not originally provoke Cambodian aggression, would certainly have liked to avenge it.

The Khmer Serei

Thailand has played host to a succession of exiles from neighbouring states since the Second World War. Its hospitality to Khmer exiles has been particularly marked because of kinship links or friendship between leading families of the border provinces and their counterparts in Cambodia. Khmer is still the prevalent rural language in the southern part of the north-eastern Thai Province of Surin (facing Siem Reap), to take but one example. The leading families, local police and military gave refuge to the right-wing Khmer Serei ('Free Khmer') maquis during the years of tension between Thai military governments and Prince Sihanouk. After Sihanouk's overthrow in 1970, Thai support for the Cambodian Right was formalized at government-to-government level. One expression of this collaboration was the facility afforded to Khmer-speaking Thai citizens to volunteer for service in the Cambodian army. Following the collapse of the Lon Nol regime in 1975, new Khmer Serei bases were established in Thailand or in jungle just within the Cambodian border. The refugee camps offered an easy recruiting ground for the new resistance, while army commanders saw in the resistance an instrument for keeping the presumed Cambodian Communist adversary off balance in his border areas and for intelligence-gathering.[4]

Whatever the long-term potential and aspiration of a Khmer Communist state to export revolution to Thailand, it is plausible that a border war with Thailand was the last thing the Khmer Communists wanted in 1975. They had come to power after two years of traumatic losses on the battle-field and were committed to a forced march to economic self-sufficiency and the total destruction of the former society. (And, immediately after victory, they were involved in a territorial dispute with Vietnam.) But destruction of the former society presupposed, in part, that the formerly 'privileged' groups would resist revolution. The new regime was predisposed—ideologically if not pragmatically—to take

[4] On the involvement of Thai right-wing civilian organizations and monks in support of the Khmer Serei, see Richard Nations, *Far Eastern Economic Review* (*FEER*), 10 March 1978, based on 'Khmer Serei: a thorn on the border' (in Thai), *Arthit* (Bangkok), 14 February 1978. Further civilian and para-military activity and its connexion with smuggling are mentioned in 'The People's Liberation Army of Thailand and Angkar Siem' (in Thai), *Thai Nikorn* (Bangkok), 14 August 1978.

seriously the activities of those whom it had dispossessed. Moreover, as soon as refugees in Thailand were seen to be engaging in subversion, political 'reaction' would fuse, in the Khmer Communist mind, with the historic Thai menace to Cambodia's independence.

The revolutionary government's initial concern for good relations with Thailand was reciprocated by the Kukrit government, and Ieng Sary, the Cambodian Foreign Minister, visited Bangkok to establish diplomatic relations in October 1975; in November, a border liaison committee was set up; and in June 1976, the Seni government sent its Foreign Minister to Cambodia to build on these foundations. Nor, unlike Vietnam or Laos, did Cambodia make any hostile comment about the Thai coup of October 1976. But by now a series of border incidents, often involving refugees, had added to the difficulties of rapprochement. Thai defensive measures in November included the arming of villagers in Self-Help Settlements on the border of Prachinburi (East Thailand) facing Battambang. This, the northernmost section of the south-to-north border before it turns east, notoriously lacks a natural boundary, is scantily or not at all demarcated and, anyway, follows a variable route on the three extant maps. For all that the Thais' US map may be more generous, overall, to Cambodia than the French service map or the annex to the Franco-Siamese Treaty of 1907 which the Cambodians are believed to use, the potential for conflict was enormous even without the complicating, post-1975 ideological factor (exacerbated by the coup) and the presence in the area of the largest refugee camp and, reportedly, a camp of the Khmer Serei.[5] The full and true story of the massacre of Thai villagers on 28 January 1977 may never be told, but the hypothesis of a massive Thai response to a Cambodian counter-attack on a Thai patrol in what the Cambodians considered Cambodian territory seems to merit consideration.[6] The fact that the Thais subsequently allowed the Cambodians to dig in in the evacuated village of Noi Parai, and transferred an energetic Colonel who tried to recover the village (with heavy loss) in July 1977, suggests that the High Command accepted that the Cambodians were acting to defend, not augment, territory which by their lights is Cambodian. Indeed, most Cambodian activity on the Prachinburi border, and further south, in Trat, during the first half of 1977 can be given a defensive interpretation. Even the grisly massacre of 28 Thai villagers in Ta Phraya district on 2 August 1977 fits into a pattern of possible attempts to create a cordon sanitaire against Khmer Serei infiltration and to make the Thai Government see the Khmer Serei as a liability. Likewise the rockets which rained on to Aranyaphrathet town in April 1978 might have been a response to the steady pounding of Cambodia by Thai aircraft and

[5] Norman Peagam, *FEER*, 11 February 1977.

[6] Larry Palmer, 'Thailand's Kampuchea incidents', *News from Kampuchea* (Sydney, mimeo.), October 1977—a valuable study marred only by a simplistic view of the politics of the Thai Armed Forces.

'1058' which visitors to the border could observe in the preceding months.

The Angkar Siem

Nevertheless, a no-man's land may facilitate access as much as it hinders exit. By May 1977, foreign reporters were being briefed on an apparent strategy of infiltrating Thai Communists from their sanctuaries in Cambodia.[7] The headman of one of the villages laid waste on 2 August said that Thai insurgents had come two months earlier and explained that the Khmer Rouge were their friends.[8] The authorities in Si Saket Province in the North-east had spoken a month earlier of the 'Angkar Siem'—the 'Siamese Organization'—recruiting some 40 villagers for training in Cambodia.[9] As the months passed, the north-eastern provinces—where there is no disputed border—became the scene of increasing terrorism, though Prachinburi remained the major theatre of confrontation till the end of 1977[10] and there was actually an abduction of 80 villagers from Chantaburi (between Prachinburi and Trat) in March 1978.

Communist action in the first half of 1978 mainly comprised mass assaults on police posts in the frontier zone of the north-eastern provinces, savage destruction of associated small population centres and abduction of people for indoctrination in Cambodia. Villagers who escaped massacre or abduction sought refuge further inland, so that a 250 km-long depopulated strip was in the making south of the road which joins Dej Udom (Ubon Rachathani Province) in the east by way of Si Saket and Surin Provinces to Nang Rong (Buriram Province) in the west. The Communists brought about a major flight from the township of Dej Udom in mid-May simply by distributing leaflets warning of an impending attack.[11] In the majority of incidents, it was reported that Thai Communists were operating hand in hand with Khmers. Thai newspaper readers became familiar with the term 'Angkar Siem' but not always aware that this 'Siamese organization' with a Khmer name was simply the Southern Division of the North-east Command of the CPT, using Cambodia as a base for its operations in the border area where it lacked sanctuary.

Why these incursions petered out after mid-1978 may be surmised. The transfer of Khmer troops to the Vietnamese border must have deprived the attack forces of a significant part of their strength. Alter-

[7] *The Straits Times* (Singapore), 20 May 1977.
[8] Peter Hazelhurst, *The Times*, 15 August 1977.
[9] Agence France Presse, 27 June 1977.
[10] *New York Times*, 23 December 1977, records a total of 173 Thais killed in incidents during 1977.
[11] The seriousness of the situation was officially disclosed only after some delay: *Bangkok Post*, 29 May 1978.

natively the creation of a 'liberated zone' or depopulated corridor into Thailand at, say, the westernmost end of the strip where Buriram adjoins Prachinburi may have been achieved to a reasonably satisfactory degree. Western and Thai observers noted the immobility of the Thai army and Border Patrol Police units,[12] which offered no serious obstacle to infiltrating Communist patrols, nor protection to the population. The policemen in particular complained of the obsolescence of their weapons and paucity of ammunition compared to the enemy's, but the security forces generally seemed to concur with the Communist aim of a depopulated strip because it gave them free-fire advantages. If they acted on these advantages—as some official statements in April and May intimated they might—the decline of Communist attacks might deserve a more generous explanation than those suggested above. At all events, informed quarters did not expect incidents to cease on the north-eastern border until Angkar Siem was able to set up house in Thailand. It was said that the Cambodian Communists were eager to see it move out because it was a foreign presence on Cambodian soil. Cambodian material support to the CPT is estimated to have been the highest from any Communist state *in proportion to its resources*. Meanwhile the Angkar Siem has functioned for the Khmer Communists as a proxy force for destablization in Thailand in much the same manner as (and perhaps, but not necessarily, in response to) the incomparably less effective activities of the Khmer Serei as proxies for Thai military commanders. But whereas Thai military commanders have claimed that the Khmer Serei were autonomous and uncontrollable, no similar excuse was ever heard from Cambodia. On the contrary, the apology for the Khmer Communists was provided by General Kriangsak, for whom the 'Third Hand'[13] was an important diplomatic fiction in his efforts to revive détente with Phnom Penh after the barren year of Prime Minister Thanin.

'Unlimited sovereignty' and Thai diplomacy

One view heard from the Thai military was that Kriangsak's forbearance of Cambodian provocation was tolerable because the genocidal aggression of the Pol Pot regime hit the Cambodian people far harder

[12] For a Thai critique see 'The plan of the CPT in the southern Isan' (in Thai), *Patinya* (Bangkok), 1–15 July 1978.

[13] For a long time, the 'Third Hand' (to whose machinations the failure of Thai-Cambodian rapprochement was attributed) was not identified. Speculation centred mainly on the Khmer Serei, but also, on occasion, on Kriangsak's military rivals, on the KGB or supposed pro-Hanoi units in the Cambodian Army, or on units simply out of touch with Phnom Penh. When Kriangsak finally accused the CPT, the 'Third Hand' fiction was on the point of being buried, for he soon added that the Thai Communists were supported by Phnom Penh (cf. Richard Nations, *FEER*, 5 May 1978). This modification of the détente line may have put a little more courage into the border security forces, whose inactivity may have owed something to bewilderment and discouragement in face of détente (just as, conversely, détente may have encouraged Phnom Penh in its 'forward policy').

than it hit the Thais. Thus in due time Thailand and Vietnam would inherit a depopulated Cambodia to carve up between them. But the essence of current Thai diplomacy was never clearer than in the testing weeks at the close of 1978 when, as the Pol Pot regime faced a possible coup-de-grâce by the Vietnamese army and *its* proxies, Thailand, with other ASEAN states, deplored the impending disappearance of its buffer with Vietnam.

The Kriangsak government has had more than its share of good luck in its international relations, but its judgements have not always been confirmed, or, if so, only obliquely. By the time General Kriangsak took office in November 1977, the border clashes between Cambodia and Vietnam were well known to Thai Intelligence and Pol Pot had cemented his alliance with Peking by his visit in October. The omens looked even better than in 1975 for a 'dynamic détente' through which divisions in the Communist camp would be turned to Thailand's advantage.[14] In addition, in view of Cambodia's problems with Vietnam, China was expected to exert a moderating influence on Cambodia's aggressiveness towards Thailand, rewarding (and supplementing) the conciliatory attitude of Thailand itself. But there is no evidence of what, if any, influence Peking tried to exert on Phnom Penh in relation to Thailand (or on the Thai Communists). Uppadit's visit to Phnom Penh in January 1978 was followed by deterioration on the border. Admittedly, after Ieng Sary's trip to Bangkok in July there was an improvement but this could have been due to deterioration on the Vietnamese front, for no agreement was reached and Ieng Sary used the occasion principally for anti-Vietnamese propaganda. The visit itself seemed to be less the result of Chinese pressure than a competitive sequel to recent Vietnamese overtures to ASEAN.[15] It is, in fact, the advance of Vietnam, and the failure of China to intervene massively on behalf of its Cambodian client, that have most surely limited Cambodia's capacity to harm Thailand. But if Vietnamese hegemony expands, it marks the frustration of the primary purpose of Thai rapprochement with Cambodia since relations were established in 1975: the creation of an anti-Vietnamese buffer in partnership with China. After the fall of Phnom Penh on 7 January 1979, Thailand might seem to have suffered a double blow, if the absorption of Cambodia into Hanoi's sphere of influence is to be added now to the strengthening of the CPT in the North-east during 1978. Another paradox is that not the 'hereditary enemy', Vietnam, but the would-be buffer, Cambodia, has

[14] To the credit of the Thai Ministry of Foreign Affairs, or in fairness to the Thanin Administration, it must be said that Foreign Minister Uppadit had met Ieng Sary in New York in October 1977 before the change of government, and there had been Thai-Vietnamese talks in Vientiane in September. Uppadit remained Foreign Minister under Kriangsak.

[15] Uppadit's visit to Phnom Penh, in January 1978, likewise followed a visit of the Vietnamese Foreign Minister to Bangkok.

been the source of nearly all the external violence which Thailand has suffered since 1975.

For the immediate future, the collapse of the Chinese position in Cambodia makes ever more serious Peking's need of Bangkok's understanding. If Chinese pressure for alignment in a Sihanouk-supported guerrilla war grows and succeeds, what remains of that other key principle of Thai diplomacy since 1975, that neutrality must be practised universally, not only as between Communist and non-Communist powers but also in relation to disputes among Communist states? Perhaps this aspiration was always in logical contradiction with the notion of a 'dynamic' détente in which one Communist faction becomes a bulwark against another. Whatever the case, Peking will surely expect Bangkok's earlier expressions of friendship to be given substance in the context of accelerating Sino-Soviet competition in South East Asia. If the Thai Government succumbs, or is believed to have succumbed, to Chinese pressure, it will have lost the confidence of ASEAN, will alienate the Soviet Union and Hanoi and will face furious opposition from Thai elements which have long suspected Kriangsak of 'united front' tendencies, both internationally and domestically.[16] Yet the self-same or related elements will be as quick to condemn him for 'failure', seeing a Hanoi-backed government established in Phnom Penh.

Such a judgement would be cynical, for there is no conceivable Thai government which could have influenced the outcome of the Vietnamese-Cambodian war. Nor need we praise the Kriangsak government for what it has gained from that war—for this was neither planned nor worked for. But we should not fail to record, and try to analyse, the historic declaration by the Vietnamese Prime Minister, Pham Van Dong, in Bangkok in September, that Vietnam would no longer support the Thai Communists. Of course, that declaration may just be a historic lie—as the Chinese Vice-Premier, Teng Hsiao Ping (Deng Xiaoping), on his own visit to Bangkok in November, insisted it is (he rubbed in the implausibility of it by making his own historic declaration that Peking would *not* cease to support the CPT). Yet it was an extraordinary gesture by a Vietnamese Communist leader, which could not have been projected from Hanoi's initiatives for normalization (even with the Thanin government) during 1976 and 1977.

Hanoi's Treaty of Friendship and Co-operation with the USSR, signed a few days before Teng's visit to Bangkok, immeasurably strengthened Vietnamese confidence in pressing the campaign against Phnom Penh in the present dry season, and if Vietnam manages to settle its security problem in this quarter, its need for Thai (and ASEAN) indulgence will be less. For the moment, however, Thailand has Viet-

[16] For a robust critique of the China nexus see 'Thailand is neutral. True or not?' (in Thai), *Patinya*, 1–15 July 1978; 'Teng Hsiao Ping... What do his words mean?' (in Thai), *ibid.*, 1–15 December 1978.

nam's pledge of non-interference—the end-product of a process of deterioration between Hanoi and Peking whose speed and extent had no place in Thai forecasts, though it originated, certainly, in Peking's concern about Soviet encirclement, which Thailand understood well. This concern began to assume paranoid proportions when Vietnam responded to Cambodian aggression against its population with a vigour which China could not explain except as the result of Soviet prompting. But there may be sufficient cause and explanation for Vietnam's response in the demoralization of the population and a serious refugee problem in an economically strategic area of the country—a price which Communist Vietnam, unlike Thailand, was not willing to pay for peace with Cambodia. Besides, the Cambodian attacks were on too broad a front, and penetrated too deep,[17] to be rationalized in every case as putting right the anomalies or injustices of French demarcations (and Pol Pot had claimed to accept all losses of the colonial period). The only certain provocation suffered by the Cambodian side was the continued presence of Communist Vietnamese troops in parts of eastern Cambodia after 1975. A far more compelling stimulus to action will have been the belief—however improbable—that the unrest and plotting among the Cambodian cadres, discovered in early 1977, was Vietnamese-inspired, a perceived challenge to the cherished 'unlimited sovereignty' of the Cambodian Party. But the Party leaders have sovereign pretensions in many other spheres: as masters of nature, controllers of minds and arbiters of lives. It is taboo to admit the impossibility of a task or to shrink from 'direct methods'. So they sought a 'Cambodian Communist' solution to their 'Vietnamese Communist' problem and launched Indochina on its strange journey back to war. In this situation, the gaining of a breathing-space by Thailand in relation to a Vietnam under pressure from China, Cambodia's patron, may be in the logic of Thai calculations, but owes its actual extent to the war. And Thailand's respite on *its* Cambodian front owes nothing to Chinese appeals for moderation. That kind of appeal has not even restrained the Cambodian Communist movement from its suicidal confrontation with Vietnam. It is the extremism of 'unlimited sovereignty', not its restraint, which has lately harmonized with Thai objectives.

[17] Cf. SRVN, *Facts and Documents on Democratic Kampuchea's Serious Violations of the Sovereignty and Territorial Integrity of the Socialist Republic of Vietnam*, Hanoi, January 1978.

Towards civilian rule in Nigeria

STEPHEN WRIGHT

AFTER 13 years of military rule in Nigeria, only a few months remain before a civilian government takes over power on 1 October 1979. The Gowon administration had abandoned its plans for elections by October 1974 and it was left to Murtala Muhammed, in his short but significant period in office after the coup d'état of July 1975, to place Nigeria firmly on the road to civilian rule. His successor, Lieut.-General Olusegun Obasanjo, has adhered strictly to the timetable announced by Muhammed in 1975 and has done everything possible to allow for the army's return to barracks this coming October. The relative size and strength of Nigeria within Africa make certain that its experience will help guide other African military leaders who are toying with the idea of a reversion to civilian government.

The Nigerian calendar revolves around the date of 1 October, the National Day, and the timetable for a return to constitutional rule has also been geared to it. In October 1975, Murtala Muhammed ordered a Constitution Drafting Committee (CDC) to draw up a text for debate. By October 1976 this had been done,[1] and there followed a year of open discussion not only on the draft constitution but also on every other area of political life.[2] During this year the local government areas elected their representatives for the Constituent Assembly, the body which was to debate the CDC's draft and produce the finalized constitution upon which the Second Republic was to be founded.

The Constituent Assembly

The Constituent Assembly was formerly opened by the Head of State, Olusegun Obasanjo, on 6 October 1977,[3] but the 203 elected and nominated members refused to start deliberations before the end of that month in protest at the poor facilities provided for their accommodation. The members of the Constituent Assembly (MCAs) were a mixture of old and new faces, but all revelled in the freedom to express openly their

[1] *Volume 1: Report of the Constitution Drafting Committee containing the Draft Constitution* and *Volume 2: Reports of the Constitution Drafting Committee* (Lagos: Federal Ministry of Information, Printing Division, 1976).

[2] See *The Great Debate. Nigerian Viewpoints on the Draft Constitution* (Lagos: *Daily Times*, 1977); also Suleimanu Kumo and Abubakar Aliyu (eds.), *Issues in the Nigerian Draft Constitution* (Zaria: Ahmadu Bello University/Baraka Press, 1977).

[3] *New Nigerian*, 7 October 1977.

The author is a Lecturer in the Department of Political Science at the University of Sokoto, Nigeria.

opinions on Nigeria's problems and prospects. For the first months until December, the MCAs involved themselves in general discussions out of which four major areas of contention emerged. In the end only one issue, that of the Federal Sharia Court of Appeal, brought the Constituent Assembly to a standstill and caused the Head of State's direct intervention, but the other issues remained, and remain today, potentially disruptive.

The main innovation of the draft constitution was for an Executive President on the American model to replace the traditional Prime Minister. The majority of MCAs favoured such a development as they regarded a powerful President to be in the best position to enforce unity and peace amongst the diverse ethnic groups of the country. To safeguard against the election of an unpopular man or woman, the MCAs agreed that a President had to gain a majority vote as well as not less than one-quarter of the votes in at least two-thirds of the states. The fact that the President does not have to come from the largest party also allows opportunity for somebody with genuine widespread support to be elected. But the view which gained some support in the CDC that the Vice-President should be the runner-up in the election, hence ensuring some form of balance between the two leaders, was not taken up and both are to be elected on the same ticket. Whatever safeguards are provided in the Constitution, there will always remain the possibility that a President wishing to enforce unity may step on to the slippery slope leading to dictatorship as has happened in so many other African countries.

An issue which received less attention than some believed necessary concerned that of the freedom of the press. The two main daily newspapers, the *New Nigerian* and *Daily Times* (and *Sunday Times*), are 100 per cent and 60 per cent respectively owned by the Federal Government, but along with other independent and state-owned newspapers they provide a major source of healthy criticism of political life in Nigeria. Journalists and some sections of the public wanted specific guarantees inserted into the Constitution to protect the independence of the press, but this idea gained little support from the majority of MCAs who felt either that it was not necessary or that the press already had too much freedom and ought to be more controlled. Honest comment and speculation is just as much a feature of the Nigerian press as it is of any other 'free' press, but many Nigerians feel that such activity is dangerous for the country's stability when there are so many competing ethnic groups. But, as one influential observer put it, 'Mr Nigeria [the President] of the Second Republic will be constitutionally so powerful that the nation would need a dutiful, patriotic and fearless mass media to expose the irregularities in his actions and policy.'[4] The absence of a 'watchdog'

[4] Alhaji Babatunde Jose, Chairman, Nigerian Television Authority; *Daily Times*, 14 March 1978.

press would probably prove equally serious to the stability of the country.

The third broad area with which the MCAs contended concerned the controversial topics of revenue allocation, the census and the creation of new states. In the end, the Constituent Assembly managed to skirt around all of them and put off serious decisions for the National Assembly to take. The fact that revenue allocation between states is linked with the size of population makes the census a very sensitive political issue. Attempts by both civilian and military administrations to undertake a census and get the results accepted have failed, and the country still works from the old 1963 census figures. The discussion on the creation of new states in the federation was short-lived in the Constituent Assembly because the Chairman ruled that it was not within its terms of reference to debate it. But most people accept that there is nothing sacrosanct about the present figure of 19 states, and it is certain that after October 1979 there will be calls for the creation of more states. On the question of revenue allocation, the Assembly noted the findings of a special committee as well as a government White Paper, but put back any firm decision for a new National Assembly to make.[5]

It was the debate over the Federal Sharia Court of Appeal which caused the most serious clashes in the Constituent Assembly. The Sharia Court is fundamental to Muslims as it provides the final jurisdiction on all matters of life. The Sharia Courts already exist within the states, but it was to be a new departure to have the Court at federal level. While northern MCAs naturally favoured such a Court at the highest level, especially as Muslims believe that they outnumber other religious groups in the country, the non-Muslim, southern MCAs opposed such religious interference in the secular state and regarded it as a threat to the unity of the nation. The decision against the inclusion of the Federal Sharia Court in the Constitution and the establishment of a single Appeal Court angered the northern MCAs, who believed that insufficient time had been allowed for discussion. Some 88 MCAs boycotted the Assembly meetings for a week in April,[6] and reluctantly returned only after a direct appeal by the Head of State. Thinly concealed behind the Sharia debate was the direct power struggle between north and south, Muslim and non-Muslim, and the defeat of the Sharia lobby was perhaps the most serious blow to the north's image and prestige since independence. Even after the adjournment *sine die* of the Constituent Assembly on 5 June 1978, MCAs from the northern states called for the Head of State to reconvene it before its final closure in October, but he refused. Ominously, one of the most influential northern leaders, Aminu Kano, promised that the Sharia lobby would 'stick to their guns',[7] and it is certain that fresh developments will take place after October 1979.

[5] *New Nigerian*, 15 June 1978. [6] *ibid.*, 11 April 1978.
[7] *ibid.*, 21 August 1978.

The Sharia issue was itself overshadowed in mid-April by the student demonstrations and killings which closed every university in the country. The immediate cause of the demonstrations was the threefold increase in boarding fees, backdated to October 1977, but students had long-standing grievances over the posting of soldiers to all schools in the country to enforce discipline as well as over the military administration's wasteful spending on grandiose projects such as Festac[8] and the International Trade Fair. The appearance of the army in full battle-dress on the university campuses and the use of live ammunition resulting in several student deaths showed that the Government would not tolerate any challenge whatsoever to its authority. The military's role was openly attacked by the press, led by an almost unprecedented full front-page editorial in the *New Nigerian* asking 'Our Motherland—Our Honour—Where are You?'.[9] The Mohammed Commission was set up by the Government to inquire into all aspects of the disturbances and it recommended, amongst other things, 'that in no circumstances should the Army be invited again into any Nigeria University Campus to quell disturbance'. However, this recommendation was rejected by the military government.[10]

The tough line taken by the military serves as a warning to aspiring politicians that the army will not be thrown off its course of handing over power to a properly elected civilian government in October 1979. This should help to keep political thuggery, so common in the 1960s, down to bearable proportions. However, it would be a fatal error for the civilians after October to govern with a military mentality because social and ethnic groups are strong and diverse enough to oppose this. Consensual politics must be the aim of any civilian government.

The Constitution in its finally agreed version was brought before the people on 16 October under Decree 25 of 1978.[11] It remains for a large part that which the CDC drew up in 1976, with only minor amendments by the Assembly. The military government, however, felt compelled to impose 17 amendments of its own. It rejected quota arrangements for the army and only agreed that it should have a federal character. The decision by the Constituent Assembly to have English as the only debating language in the National Assembly was corrected to allow other Nigerian languages to take its place when adequate arrangements for them could be made.[12] Control over capital expenditure of the Judiciary was returned to the Federal Government, whilst civil servants were banned from undertaking work in the private sector and also from having foreign

[8] Festac, the Second World Black and African Festival of Arts and Culture, cost 141 million naira (£114 m.) according to the official report; *New Nigerian*, 30 June 1978.

[9] *ibid.*, 22 April 1978. [10] *ibid.*, 5 September 1978. [11] *ibid.*, 17 October 1978.

[12] Many people believed that English was originally chosen to prevent Hausa, the northern language, from being adopted.

bank accounts. The military made a strong case for these measures and other amendments being in the 'national interest', and little overt opposition could be seen in the country.

The political parties

The Federal Electoral Commission (Fedeco) has the task of organizing the elections and registering the political parties. The preliminary electoral list was published in March 1978 with 47,433,757 voters registered;[13] the list was again displayed in September and Fedeco allowed for a maximum growth of 3 per cent in all the states except Lagos, which was allowed 5 per cent.[14] The reduction of the minimum voting age from 21 to 18 years has helped to swell the numbers of those who will be taking part in elections for the first time. The timetable for the elections remains fluid, but it appears likely that there will be five separate elections during May and June for the State legislatures, the State Governorships, the Federal House of Representatives, the Senate and, finally, the Presidency. For the state elections, Fedeco has designated a total of 1,347 constituencies, whilst for the federal elections three state seats have been amalgamated into one to make a total of 449 seats. The Senate will have 95 seats, with five each for every state irrespective of population size.

The more controversial aspect of the Electoral Commission's work concerns the registration of political parties. Only parties without ethnic or regional bias are allowed, and the headquarters for all parties have to be in Lagos. Fedeco is responsible for the scrutiny of party accounts and has fixed a limit of 10 kobo (eight pence) per voter to be spent by any party at the elections.[15] Funding from trade unions and businesses has been banned, and any money from outside the country reaching the parties has to be paid into Fedeco before it can be used. The Federal Government, in an interesting move, has decided to sponsor all the parties, and a federal grant will be made available on the basis of five kobo (four pence) per voter. Half of this grant will be paid to all the parties equally before the elections, and later the other half will go on a proportional basis to those parties represented in the National Assembly. Through Fedeco, the Federal Government hopes to avoid the gross misspending and ethnic rivalry of the 1960s, and to some extent it will be successful. But there is no infallible way of ensuring completely free and open elections in the country.

Political activity throughout the first half of 1978 centred upon social and business groups, where many prominent politicians were able to discuss secretly tactics and alliances. Such was the extent of these undercover organizations that, immediately after the ban on political activity

[13] *Daily Times*, 31 March 1978. [14] *New Nigerian*, 28 September 1978.

[15] This does not include capital expenses such as secretaries, buildings, transport, etc. Fedeco also has a Black List of those found guilty of corruption after the military take-over in January 1966 and so ineligible for these elections.

was lifted on 21 September, many political associations flourished, each with its own manifesto of encyclopaedic proportions. Fedeco stipulated that by 18 December all these associations must have held their national conventions and elected their representatives as well as be fully operational in at least 13 of the 19 states. Of the 52 emerging associations, only 35 collected the application forms for registration and of these only 19 managed to lodge their application with Fedeco before the deadline. On 22 December, Fedeco announced that only five parties had complied with its stipulations,[16] and these are the parties which will fight the elections. The other associations have been barred from standing, though this does not prevent them from being absorbed by the official parties.

The major parties approved by Fedeco have, in any case, dominated the political scene from September. The Unity Party of Nigeria (UPN) is built around the personality of Chief Obafemi Awolowo, the former leader of the Action Group. The northern leaders, as expected, gave a rebuff to Awolowo[17] and after being an early front-runner he has dropped back in the race. The re-emergence of Dr Nnamdi Azikiwe, the former President of Nigeria, on to the political stage proved very controversial. Azikiwe had promised last November to remain out of politics because he was the 'Father of the Nation', but later in the month he hinted that he was open to offers from political parties. In the end, it was the Nigerian People's Party (NPP) which managed to attract the former President. A week before this, the NPP convention had ended in chaos with Alhaji Waziri Ibrahim winning the NPP nomination in dubious circumstances, much to the dismay of the southern contingent. The arrival of Azikiwe forced Waziri to form his own party, the Great Nigeria People's Party (GNPP), leaving Azikiwe to head the NPP ticket after a second convention. Both the UPN and NPP will have to try to win in the middle-belt states such as Kwara, Benue, Plateau and Gongola, where anti-Hausa feelings may be strong enough to inflict defeat on the northern leaders. Like Waziri, another northerner, Alhaji Aminu Kano, decided to build his own party, the People's Redemption Party (PRP). But the party which appears to have the best chance of success is the National Party of Nigeria (NPN), which has a Sokoto man, Alhaji Shehu Shagari, as Presidential nominee. The party's strength lies in the fact that it is built around several major personalities, and it has support not just in the north but in the country as a whole.

Civilian rule—the prospects

The military government has undoubtedly tried its best to usher in a new era of civilian rule. The introduction of a new national anthem and motto planned for next October shows the military's concern right down to the finest detail. However, when weighing up the prospects of a

[16] *New Nigerian*, 23 December 1978. [17] *ibid.*, 14 October 1978.

new civilian government, three interrelated factors must be considered.

The first concerns the nature and composition of the government and the parties in general. For all its good intentions, Fedeco has not prevented the development of parties with a majority of their support from a *single* region. The fact that the party has to appear to have national support only serves to mask its roots and fundamental interests in a plethora of representatives and state offices. Mergers between the parties are allowed by Fedeco so long as they take place before the elections. The Constitution forbids parties crossing the floor in the National Assembly, but it will have to be seen whether or not this brings stability. There is the possibility that the President may not have majority support in the Assembly, thus causing friction between the two centres of power. By forcing parties to be formed on a national basis, the Government has ensured that they undertake at least some kind of dialogue with all ethnic groups. But if political activity does take the form of a clash between north and south—the emergence of the 'old brigade' in the parties and the signs that the elections will be fought over personalities and not policies make this a distinct possibility—then it may be difficult to maintain order and unity in the country.

The second factor to consider is the role of the military after October. It is evident that the civilian population, though quietly grateful for the enforced unity the army has brought, wishes to remove the military from all areas of public life to give the new government the best possible chance of success. The army, however, is the largest in black Africa with over 200,000 men, and it is difficult to see how such a force can settle down to its new inconspicuous role. Some civilians even believe that for the society to survive there must be active participation in it by the military. For example, the Chairman of the National Policy Development Centre (Nigeria's 'Think Tank'), Professor Fafunwa, called last February for the military not only to be posted to all schools but also to all federal and state ministries to enforce discipline and hard work.[18] How such a role could be reconciled with a low profile in political affairs is difficult to imagine. On the other hand, the very presence of the army in the country, whether or not it has any future political interests, will serve as a constant reminder to the civilian government of the need to keep the country united and not give the military an excuse to put an end to the Second Republic.

The final factor to consider concerns economics. The oil boom on which so many of Nigeria's hopes were pinned has more or less collapsed, leaving the economy in a precarious position. Economists can find arguments to show that the Nigerian economy is healthy in the long term, but the inflation rate of at least 25 per cent, the doubling of the price of oil on 1 October, the banning of many imports from champagne and silk to

[18] *New Nigerian*, 14 February 1978.

Christmas cards and toothpicks to save foreign exchange, the drastic cuts in the states' budgets, the record balance-of-payments deficit in the first half of 1978 and many other factors visibly show that the economy is in trouble. Last year the Government was forced for the first time to raise two loans of US $1,000 m. each on the international money market to help keep its development projects afloat,[19] but it has been unable to avoid the embarrassment of cutting back many development projects in the country.

How the civilian government handles these economic problems will be crucial to its success or failure. On the one hand, the new government will need time to get a full grasp of the situation. The military have refused to declare the exact financial position of the country, and so the civilians do not know what they are going to inherit. The bare fact that oil now accounts for virtually 100 per cent of the country's export earnings is not encouraging. On the other hand, there will be little time available for the government to sit back and ponder over the country's economic plight as domestic pressures will demand immediate action. The federal nature of the country makes all the states strive for pieces of the 'national cake'. With more money and more states than in the 1960s, the cut and thrust for slices of the cake will call for strong leadership from the centre if the system is not to break down. Thus the economic problems may prove to be the severest test for the civilian government to overcome.

[19] *Africa Research Bulletin* (Economic, Financial and Technical Series), June–July 1978, p. 4746.

A new turn in US-Nigerian relations

OYE OGUNBADEJO

WHEN Jimmy Carter assumed the Presidency in January 1977, he had several options in relation to Africa: he could continue with the Ford Administration's policy, modify it, or launch his own brand. He chose the last option. It was the new Secretary of State, Mr Cyrus Vance, who, while bitterly attacking the policy of his predecessor, defined the Carter line:

> We proceed from a basic proposition: that our policies must recognize the unique identity of Africa. We can be neither right nor effective if

Dr Ogunbadejo is a Lecturer in the Department of Political Science at the University of Ife, Ile-Ife, Nigeria; he has contributed a chapter on 'Efficiency in the Conduct of Nigerian Foreign Relations' to M. J. Balogun, ed., *Managerial Efficiency in the Public Sector: Patterns and Problems in Nigeria* (Ile-Ife: University of Ife Press, 1979).

we treat Africa simply as one part of the Third World, or as a testing ground of East-West competition.[1]

Even Zbigniew Brzezinski, the National Security Adviser in the Carter Administration and a known hardliner with regard to Soviet policies in Africa, endorsed the new premise. Indeed, it was already clear that President Carter could not possibly have continued with Henry Kissinger's approach to African issues. In the first place, he had repeatedly attacked the Ford Administration's African policy during his electioneering campaign, arguing that the United States had bungled in the Angolan civil war and had lost the possibility of playing a positive role in Southern African developments. Secondly, Carter's stand on human rights and the prominence given to this subject in all his key statements meant that he took a different view on the minority regimes and apartheid problems in Southern Africa. Thirdly, his announcement of the appointment of a black Congressman, Andrew Young, as America's ambassador to the United Nations (and, in a sense, to Africa, too), reflected, in the eyes of some African states, both the US wish for change and the intention to make the White House more accessible to African opinion.

Andrew Young tried to allay any suspicions that some African states might have harboured towards the US by visiting most of them, including Nigeria, and explaining the new American line. He emphasized that the motivating force in US policy was no longer a fear of Communism and rivalry with the Soviet Union, but concern for the welfare of the continent. Washington, he assured them, supported the Organization of African Unity (OAU)'s stand on finding African solutions to African problems. Going further than merely stating official US policy, he gave his own opinion on many issues. On Angola, for example, he openly defended the Cuban presence by arguing that the men from Havana should be seen as a stabilizing force. This analysis was interpreted by many progressive African states as a reversal of America's previous posture; it also meant that states like Nigeria, which had backed the Soviet-aided Popular Movement for the Liberation of Angola (MPLA), could assume that they had done the right thing and that the US had admitted the shortcomings of its own policy. Andrew Young also impressed on the White House that no African country wanted, or could possibly retain, a Soviet presence for good; hence there was no point in worrying about Communist penetration. He argued that most African states which appealed to Moscow in moments of crisis would, as soon as their immediate problems were resolved, turn once again to the West for its technology, trading opportunities and various economic and technical assistance. Perhaps more importantly, he told his Cabinet colleagues not to consider the socialist rhetoric of some African leaders in isolation,

[1] *West Africa* (1977), p. 1571.

but rather to compare it with their actual policies. The Ambassador's influence in the White House seemed to have had some effect initially. Thus Washington did not become directly involved when the Shaba province of Zaire was first invaded from Angola in 1977; it stayed out of the dispute over the Western Sahara; and, for a while, it kept its hands off the Horn of Africa.[2] The belief in many African states that Young was in command of the situation gave a big boost to US African policy. The Ambassador was received in many African countries and could, even at short notice, talk directly to Heads of State. In Nigeria, for example, he struck up a warm friendship with both General Obasanjo, the Head of State, and Brigadier Joe Garba, the Commissioner for External Affairs. Many, in fact, saw Andrew Young as the most important and effective bridge to Africa.[3]

President Carter's own role should not be lost sight of, however. As soon as he took office, he fought energetically for the repeal of the Byrd amendment, which authorized chrome imports from Rhodesia (Zimbabwe) despite UN sanctions, and he seemed receptive to Andrew Young's ideas and recommendations on Africa. Unlike Presidents Nixon and Ford who left foreign policy, and particularly African policy, to the State Department—which meant the Secretary of State, Dr Kissinger, who seemed fairly ignorant about many burning African issues, not least the populist revolution—the new President displayed a continuous interest in African matters and willingly authorized a change in US policy towards the continent. Moreover, African policy was no longer the idea of a single man: alongside Andrew Young's role, the ideas of Zbigniew Brzezinski and Cyrus Vance have been equally important.

The new Carter policy had a great impact on US-Nigerian relations, giving Washington and Lagos an opportunity for a fresh start and a realistic examination of issues affecting them both. Dr Donald B. Easum, the United States Ambassador to Nigeria, summed up the change thus:

> We take Nigerian views very seriously, and not just on African issues but on issues of global concern. We consult and discuss together such problems as the North–South economic relationship, or the Law of the Sea, or Zimbabwe and Namibia, or the question of political rights and equal opportunity within South Africa itself. Nigerian views on these issues are an increasingly important factor in the formulation of US policies.[4]

After the period of estrangement under the Ford Administration, progress in relations between the two countries was so fast that, within

[2] See James Mayall, 'The Battle for the Horn: Somali irredentism and international diplomacy', *The World Today*, September 1978.
[3] This, certainly, was the view of Mr Olusola Sanu, the recently retired Nigerian Ambassador to the US. See *Interlink*, No. 51, 1977, p. 19.
[4] *ibid.*, p. 10.

President Carter's first year in office, the Nigerian Head of State was able to pay an official visit to the United States.

Obasanjo in the US

At first, the idea of such a visit met with strong criticism from the Nigerian press, the National Union of Nigerian Students and some members of the Constituent Assembly. The External Affairs Commissioner, Brigadier Joe Garba, had to give a forceful official explanation, arguing that the visit was needed to strengthen Nigerian efforts for the liberation of Southern Africa and to 'create a favourable climate for beneficial co-operation in other fields'.[5] Gradually, opinion shifted in favour of the visit, and by 10 October 1977, when General Obasanjo left for the United States, he seemed to have succeeded in greatly reducing opposition to the trip.

During his five-day stay in the US, the Nigerian leader met and spoke to American government, business and academic leaders; black Americans, including the Congressional Black Caucus; Nigerian communities in Washington and New York; the Senate Foreign Relations Committee; the International Relations Committee of the House of Representatives; and the General Assembly of the United Nations. In most of his major speeches, the General discussed his country's views on Zimbabwe, Namibia, and South Africa; and he consistently reaffirmed that the issue of freedom and human dignity in these territories 'occupies a central and unique position in the Nigerian Government's policies'.[6]

Beside Southern Africa, General Obasanjo's talks with President Carter covered bilateral political and economic issues, including plans for closer economic collaboration in support of Nigeria's five-year development plan, which calls for some $68,000 m. in public-sector spending. Other items discussed ranged from the situation in the Middle East and the Horn of Africa to such problems as the Strategic Arms Limitation Talks.

Meanwhile, Nigerian public opinion was impressed by the way General Obasanjo had been received. While the visit was essentially an acknowledgment of growing understanding between the two states, the Nigerians also appreciated the pageantry and ceremony that welcomed their leader to Washington. But perhaps more important from their point of view was the fact, demonstrated in his speeches, that the General did not allow the warmth of American hospitality to affect his stand on the problems of Southern Africa. By the time he returned home, the consensus of opinion, including those sections that had earlier come out in opposition to the visit, was that it had been worth while and would further strengthen US-Nigerian relations. Indeed, before General Obasanjo left the United

[5] *Daily Times* (Lagos), 28 September 1977.
[6] *Interlink*, No. 52, 1977, *passim*.

States, the American President had personally announced his acceptance of an invitation to reciprocate the Nigerian leader's visit.

Carter in Nigeria

President Carter arrived in Lagos on the evening of 31 March 1978, accompanied by his three most senior advisers on African affairs, Andrew Young, Cyrus Vance and Zbigniew Brzezinski, and an entourage of about five hundred, most of them journalists. It was the first state visit ever paid by an American President to black Africa, a point hammered home by the local press which gave the President very favourable coverage.[7]

The discussions in Lagos centred on three key areas: the situation in Southern Africa, US-Nigerian relations, and other global problems. On 1 April, at the National Theatre in Lagos, Carter gave his most important speech, in which he dealt at length with US policy towards Africa, particularly the situation in the Horn, Zimbabwe, Namibia, and South Africa, as well as relations with Nigeria. The President repeatedly stressed the importance to Africa, and to international stability, of finding African solutions to African problems, without the interference of outsiders who might turn the continent into an East–West battleground.[8] The joint communiqué issued on the conclusion of the visit summed up the position of Lagos and Washington on many issues.[9] In their review of the international economic situation, the American and Nigerian leaders called for urgent measures to secure a just and equitable economic order. On bilateral co-operation, they agreed to set up four joint working groups on investment and trade, technology, agriculture, and rural development and education. With regard to Southern Africa, they agreed on some issues; on others, while their basic objectives remained the same, they differed on the methods of achieving them. In accordance with the OAU stance, Obasanjo emphasized Nigeria's support for the South West Africa People's Organization (Swapo) as the authentic leaders of Namibia. Carter, on the other hand, while supporting the territory's full independence, stressed the need for a settlement which would guarantee that all political groups would have 'an equal and fair opportunity to compete in free elections in which the people of Namibia would make their own choice about their future government'. On South Africa, the Nigerian Head of State was openly critical of the West. Not only did he accuse the Western nations, particularly the United States and Britain, of adopting a lukewarm attitude to proposals to eradicate apartheid, he also attacked

[7] See, for instance, 'Why Jimmy Carter captures the popular imagination,' in *Daily Times*, 1 April 1978, p. 9; and 'Welcome, Jimmy Carter', in *Daily Sketch*, 31 March 1978, p. 2.

[8] See *Major Statements made during President Jimmy Carter's State Visit to Nigeria, 31 March–3 April 1978* (Lagos: US International Communication Agency, 1978).

[9] For the full text of the joint communiqué, see *ibid.*

them for pursuing policies of outright collaboration with Pretoria, in both military and economic matters. However, the two leaders renewed their joint condemnation of the 'evil and oppressive system of apartheid' in that country. On Zimbabwe, President Carter and General Obasanjo stood by the Anglo-American peace formula and condemned Ian Smith's internal settlement, arguing that it does 'not guarantee a genuine transfer of power to the majority nor take into consideration the views of all the Zimbabwean nationalist groups'.

Before leaving Lagos on 3 April 1978, Jimmy Carter praised Nigeria's economic progress, and the country's efforts to restore peace in Africa, particularly its role as the chairman of the OAU Good Offices Committee to the Horn of Africa. In the President's opinion, his country and Nigeria had totally restored a good and healthy relationship.[10]

Economic relations

While President Carter's visit to Nigeria was part of the exercise of completing the US-Nigerian political rapprochement, it had also an economic dimension. Nigeria is a major oil exporter to the United States —in fact, the second largest after Saudi Arabia. The US is a no less important market for Nigeria: in 1977, America took about 50 per cent of Nigeria's oil exports. More recently, however, the general world glut in oil, coupled with the economic recession in the US as well as with new supply sources for America, have affected the amount of Nigerian oil going to the US. Thus, the average production of 2·10 million barrels a day (b/d) in 1977 slumped to only 1·57 million b/d in February 1978. With oil money accounting for about 95 per cent of Nigeria's total export earnings, and providing three-quarters of the Government's revenues, the serious consequences of all these factors on the country are plain.[11] Even worse, the general instability of the American dollar has seriously eroded Nigeria's oil earning power on the quantity it manages to export; the country lost as much as $300,000 a day in 1978.[12] Indeed, it was expected that the cutback in production, discounts in sales per barrel (forced by the world glut), and the big drop in the value of the dollar could mean a far larger loss on oil revenues for 1978 than the $142·4 m. of 1977.[13]

[10] *Daily Times* (Lagos), 4 April 1978, p. 1.

[11] See 'Oil Production Fall becomes Critical', in *Business Times* (Lagos), 2 May 1978.

[12] See 'How Nigeria is hit by the falling dollar', in *West Africa* (1978), p. 491. The corresponding figure for 1977 was $390,000 a day. Note that the higher level of lost revenue was due to the average output of 2·1 million b/d, on which loss is calculated.

[13] *ibid.* Note, however, that the gloomy outlook in terms of revenues from oil has forced Lagos to indulge in even more price discounts. The effect has been to increase the Nigerian oil output—which, in fact, reached 2 million b/d for the first time in 1978, on 24 June—but, with discounts, there has not been a corresponding improvement in the country's foreign-exchange earnings. See *Business Times* (Lagos), 14 August 1978.

The Carter Administration's energy policy, if ever fully implemented, could pose another problem for Nigeria, if the US reduced its dependence on foreign oil drastically. Although the major American oil companies believe that adequate supply is available from combined US and foreign sources, and that oil should be allowed to find its own price level, the President is more concerned with the conservation of US oil and limited price control. Since 1973, almost all the developed countries have cut their oil imports but America has increased its own by more than 40 per cent. In 1967, the US imported 2·5 million b/d, or about 20 per cent of what it used. In 1977, it imported 9 million b/d at much higher prices, with a consequent drain on its balance of payments.[14] President Carter's contention is that America's growing dependence on foreign oil imports should be curbed, and that its economy cannot afford the resulting stresses if the US goes on importing oil at present rates.

However, while it is true that oil plays a crucial role in US-Nigerian economic relations, the scene is not entirely dominated by this commodity. Though oil formed the bulk of the $6·2 billion worth of US imports from Nigeria in 1977, America was able to sell $958 m. worth of goods to the Nigerians.[15] The size of Nigeria's market and its potential as a long-term trade partner are taken seriously. Aside from its large market, Nigeria offers increasingly a sophisticated buying élite and a growing industrial sector. It has already overtaken South Africa in terms of Gross Domestic Product (GDP) and become America's most important trading partner on the African continent—though, admittedly, there is still a huge imbalance in Nigeria's favour.[16] Given a sustained period of friendly relations, the Americans will no doubt capture a sizeable proportion of Nigeria's growing market.

However, the level of US investment in Nigeria has been seriously affected by the latter's 'indigenization' programme—the government policy which demands 40 to 60 per cent Nigerian control of all the big foreign-owned businesses. This has made many American businessmen comparatively wary about investing in the country and some of the US companies, which are already on the ground, have decided to fold up rather than grant the stipulated percentage of Nigerian control. But the majority of American firms, and virtually all other foreign businesses, have acquiesced in the Lagos directive and shown themselves willing to settle for a smaller slice of profit.

One area for co-operation, which has often been stressed by both the US and Nigerian leaders, is the transfer of technology. President Carter dealt at length with this subject while he was in Lagos and during General Obasanjo's visit to the United States in 1977, and gave assurances that,

[14] See *The Times*, 10 November 1977.
[15] *West Africa* (1978), p. 948.
[16] See, for instance, *Africa*, No. 81, May 1978.

under bilateral assistance programmes, the US would co-operate in this regard.[17] The Nigerian leader has also emphasized the issue.[18] However, while there are many obvious areas in which American technology can assist Nigeria's economic and social development, so far there have been few instances of technology transfer.

In the meantime, under the Nigerian-US Manpower Training Agreement, the United States is assisting Lagos in its manpower development. In 1977 and 1978, the first two years of the agreement, the US accepted 2,000 Nigerian students for technical training in the area of middle management. President Carter confirmed during his visit to Lagos that America would honour Nigeria's request for senior manpower executives to assist in the country's technological development.

Trade delegations from the US and Nigeria continue to visit each other's country, holding high-level consultations with the main objective of improving existing trade relations. In July 1978, for instance, a Nigerian trade delegation paid an extensive visit to the US to discuss, essentially, transfer of technology, joint investment, agriculture, animal husbandry and agro-industrial development in Nigeria. As a follow-up to the talks, an American trade delegation paid a return visit to Lagos and, amongst other things, pledged US assistance for the development of the Nigerian fishing industry.

African issues

Whatever the encouraging prospects for US-Nigerian economic relations, one still has to see them within the wider context of the political relations between the two countries. President Carter's initial reversal of the Ford Administration's African policy facilitated the rapprochement between Lagos and Washington, and his own African policy governs the direction and warmth of US-Nigerian relations. As far as Lagos is concerned, the crucible is Washington's posture on Southern Africa problems. As to Washington, it has now taken full cognizance of the Nigerian stance: as Ambassador Young has put it, the Americans have come to realize that 'there can't be any solution to the problems of Africa unless there is direct involvement of the Nigerian Government'.[19]

Nevertheless, the Carter Administration's African policy at times appears erratic to the Nigerians. In their view, this was best illustrated during the second Shaba invasion of 1978 and over the conflict in the Horn of Africa, when they thought that Washington over-reacted to the Soviet-Cuban role in the continent.[20] The President's strong warning to the Soviet Union that its involvement in Africa would damage the

[17] See *Major Statements*, *op. cit.*
[18] See, for example, *Interlink*, No. 52, 1977, especially pp. 12–13.
[19] *Africa*, *op. cit.*
[20] See 'Erratic Course of US African Policy', in *Daily Times* (Lagos), 21 July 1978.

chances of détente and a SALT agreement, and Washington's dramatic summoning of its allies to a special meeting in Europe to discuss the Moscow–Havana role in Africa, did not win Nigerian approval. When Carter, in Lagos, asked Obasanjo to join him in recording a joint condemnation of the Soviet-Cuban involvement in Africa, the General politely declined.[21] However, President Carter's speech at the US Naval Academy in Annapolis on 7 June 1978, which stressed co-operation rather than confrontation with Moscow, seemed to mark a switch from the hawkish Brzezinski line in favour of a cooler approach to Soviet activities in Africa. With that development, US policy seemed to Nigerians to be, once again, back on course.

The problem of South Africa itself presents difficulties. Although the United States attended and played an important role at the World Anti-Apartheid conference in Lagos in August 1977, and President Carter has consistently spoken out against racism and Pretoria's apartheid policy, Nigeria believes that America could be still more forceful and aggressive in its approach. The US retains huge investments in South Africa,[22] continues to sell Cessna light aircraft to Pretoria (ostensibly for 'non-military purposes') and still joins other Western permanent members in the UN Security Council to veto economic sanctions against South Africa. It could be argued that while the US may be working towards the achievement of majority rule in both Namibia and Zimbabwe, it is, in a sense, borrowing a leaf from Kissinger's approach to South Africa, at least in so far as it still has an eye on maintaining trade and strategic links with that country and doing what it can to contain further Soviet expansion or Cuban involvement in Africa.[23] In broad terms, however, Nigerians believe that there has been a major shift in US policy towards Africa under the Carter Administration.

To sum up, the United States needs Nigeria's goodwill to convince black Africa that it has ended the Ford Administration's policy of neglect; and, equally, to secure the assistance of Lagos in curbing Soviet-Cuban activities in the continent. Nigeria, on the other hand, needs US investment (in joint partnership ventures), technical expertise and continuing custom for its high-grade crude oil. The political and economic strands in their relations are inextricably linked. Nigeria's economic performance, particularly the role of oil, has significantly enhanced the influence of Lagos. Indeed, one major reason why Nigeria's voice, or posture, on African issues is respected in Washington is that it has the economic

[21] Some analysts have even argued that President Carter went to Lagos solely to get Nigeria to join the US in openly denouncing the growing influence of Cuba and Russia in Africa. See, for example, *West Africa* (1978), p. 745.

[22] As Ambassador Young has recently said, the Americans 'finance apartheid and at some point they've got to come to the conclusion that they are no longer going to finance apartheid'. See *Africa*, *op. cit.*

[23] See Gebhard Schweigler, 'Carter's détente policy: change or continuity?', *The World Today*, March 1978.

independence to maintain a truly non-aligned position in foreign affairs. President Carter and some of the members of his Cabinet have conceded this point on many occasions. Admittedly, other factors like Nigeria's huge standing army, the country's large population, and the quality of its leadership and diplomatic efforts are also important, but, in the final analysis, it is the country's oil-induced wealth that has strengthened its position in world affairs.

Both Lagos and Washington have now made remarkable progress in cementing their relations. The role of Ambassador Young, the visit of General Obasanjo to the US and that of President Carter to Nigeria have, no doubt, facilitated the process, and economic links have become much stronger as a result of the American-Nigerian détente. True, Nigeria may retain reservations about US policy in respect of South Africa, but clear American support for ending racial discrimination, and Washington's firm stand on majority rule for Namibia and Zimbabwe show the extent to which things have changed in the White House. In the not too distant future, even the hawks in the White House may accept Andrew Young's argument that it is the good sense of African nationalists, and not Pretoria and its policies, that can be a bulwark against Communism. The problem would become even more clear-cut once Namibia and Zimbabwe have succeeded in attaining black majority rule. The US, Western Europe and Japan would then have to decide whether they are prepared to retain their economic interests in South Africa—at the price of losing them in Black Africa and, above all, in Nigeria.

In the meantime, Nigeria maintains its militant posture, and while many black African governments have paid no more than lip service to ending white minority rule in South Africa, Lagos has been consistent, fervent and active in its opposition to apartheid. Nigeria's militancy is such that relations between Lagos and Washington can remain on a firm footing only if the American policy on Southern Africa seems, in broad terms, to be acceptable to the Nigerians. In other words, while both sides stand to gain from a healthy relationship, the momentum of this relationship will be affected by the way and manner in which Washington tackles the complex issues of Southern Africa.

Corrigenda

The World Today, February 1979, p. 73, line 15 after the subhead, the date should be 1935, not 1953; p. 78, line 22, for 'or' read 'for'.

PRINTED IN ENGLAND BY POPPER & COMPANY LTD, WELWYN GARDEN CITY, HERTFORDSHIRE

THE WORLD TODAY

Founded in 1945, THE WORLD TODAY is issued under the auspices of the Royal Institute of International Affairs and published monthly by the Oxford University Press.

ANNUAL SUBSCRIPTION (12 issues a year)

Including postage inland and overseas

UK £7

US $20 (by accelerated surface post)

Elsewhere £9

Single copies 70p ($2) post free

Orders may be sent to booksellers and newsagents or to the Oxford University Press, Press Road, Neasden, London, NW10 0DD Telephone 01-450 8080

The Royal Institute of International Affairs is precluded by the terms of its Royal Charter from expressing an opinion of its own on any aspect of international affairs. Any views expressed in this publication are, therefore, the responsibility of the contributors.

ISSN 0043–9134

THE WORLD TODAY

The Royal Institute of International Affairs

CONTENTS

EDITOR: LILIANA BRISBY

April 1979
Vol. 35. No. 4

Manuscripts and correspondence should be addressed to the Editor, *The World Today*, The Royal Institute of International Affairs, Chatham House, 10 St James's Square, London SW1Y 4LE.

Note of the month

QUESTIONS FOR BRAZIL'S NEW PRESIDENT

GENERAL João Baptista Figueiredo took office as President of Brazil on 15 March, thus inaugurating a new phase in the country's development under military rule. On the face of it, his assumption of power is a simple continuation of the main policy lines of his predecessor, General Ernesto Geisel, since he was General Geisel's own choice for the job and has said that he will maintain the policy of gradual political liberalization. But he is still very much an unknown quantity, and the way that he responds to the challenges which are likely to arise in the next few years in Brazil will be critical.

Internally, there are strong pressures for further liberalization, not just from the leftists and others who have always been opposed to the military regime, but also from business circles in São Paulo, the new middle class that has grown up as a result of the economic growth of recent years, and even the regime's civilian supporters in Congress. There is also pressure on the economic front, with inflation running at a rate of more than 40 per cent a year. It was significant that on the day of the new President's inauguration in Brasilia there was a strike under way in São Paulo by more than 200,000 metalworkers and another by some 80,000 teachers in the state of Rio de Janeiro. Strikes such as these are illegal, and the fact that they are now taking place, like the increase in political activity, is itself a sign that things have changed in Brazil. But it still has to be seen how far President Figueiredo will be prepared to go in opening up the system. One question is whether the prospect of agitation over economic conditions could make him slow down the process of political advance.

In his inaugural speech, he covered the main areas in which he intends to be active, but without going into great detail. He gave a new undertaking to return Brazil to democracy; and he promised that civil rights would be assured, adding that care would be taken to maintain public order. He made it clear that he would be particularly concerned with the economy, and would be making efforts to bring down the rate of inflation. Priority would be given, he announced, to agricultural development, an area which has tended in the past to be neglected in favour of industrialization, but which is now seen to be important as a means of reducing Brazil's import bill. He also spoke of the need for a better distribution of income in Brazil, and said that every worker should be guaranteed a fair

wage. He even spoke of the need to improve the quality of life in the cities, apparently in response to criticism from the Roman Catholic Church; and he admitted the need for better medical care. On the other hand, he did not announce his plans for an amnesty for those convicted of political offences, reportedly because of differences within the armed forces.

It was a remarkably political speech for the head of a military regime, and reflected the transitional phase that Brazil is now going through. There is clearly the intention to carry out some further opening up of the system. Senior planners in Brasilia say that the point of no return has been reached, and that the process cannot now be reversed. But there is still a very long way to go before the military leadership relaxes its grip on the levers of decision, and President Figueiredo's term of office will be important because it will show the strength of the conflicting forces. He will have to take account both of the pressures for a return to a democratic system and of resistance to it from hardliners in the armed forces, many of whom were not happy about his nomination in the first place. The indications are that moves in a more democratic direction will be carefully calculated, as they were under President Geisel, and that President Figueiredo, too, will be prepared to clamp down hard if he considers that things are getting out of hand.

The central question, therefore, is the character of the man himself and how far he is his own master. General Figueiredo is 61 and a former cavalry officer. His previous position was as head of the National Information Service (SNI), the powerful secret service, a job which did not exactly expose him to the cut and thrust of political life, but which did place him at the power centre of the Geisel regime. It is noticeable that his Cabinet includes a number of prominent men from previous military governments, and in particular General Golbery do Couto e Silva, the man who is widely regarded as the *éminence grise* of the military regime. General Golbery will be head of President Figueiredo's civilian staff, as he was of President Geisel's. In spite of the public exposure he has had in recent months, President Figueiredo himself has still not had a chance to impose himself on Brazilian political life, and he tends to be best known to public opinion for a number of gaffes he made early on in his campaign, including his remark that he preferred 'the smell of horses to that of people'.

He has taken over a country which has made very rapid economic progress in recent years and is anxious to make its presence felt on the world scene. Brazil is a giant in South America, with the economy of the state of São Paulo alone bigger than that of the whole of Argentina. By its huge nuclear deal with West Germany it made it clear that it was not prepared to accept dictation from the Americans. It is developing trade relations in the Middle East and in Africa, and it wants to be treated as a political partner, not just as a reservoir of natural resources, by Western Europe.

There is no reason to suppose that any of this will change under President Figueiredo.

One of Brazil's difficulties is that it has had to borrow heavily to finance its internal development, and it now has a large external debt of over $40,000 m., which is expensive to service. The country was also hard hit by the increase in oil prices in 1973, and its economy has still not recovered the rhythm of the years of the Brazilian 'economic miracle'[1] in spite of a vigorous export drive. In his inaugural speech, President Figueiredo said that from now on Brazil would try to finance its development from its own resources rather than overseas borrowing.

One long-standing issue that he faces is the wide gap between rich and poor in Brazil, and between rich and poor regions. There was much talk of income redistribution in last November's Congressional elections, and President Figueiredo's reference to it in his inaugural speech was an acknowledgement that more should be done about it. But it remains to be seen how much he will, in fact, achieve in this area; from the beginning, the military governments have taken the view that the first priority is the growth of the economy overall, and that redistribution should only come later.

Relations with Congress will be one of the tests of President Figueiredo's democratic intentions, and will show whether he is prepared to allow it any real say in policy-making. In the past, Congress has had little effective power, and when the Opposition tried to assert itself in 1976 Congress was simply closed down by President Geisel. But the special powers which allowed a President to do this, embodied in Institutional Act no. 5, were abolished at the beginning of this year, as was the power to remove a fractious opponent's political rights. So a President no longer has the same hold over Congress as he had, and it is possible that President Figueiredo will find himself having to negotiate with its members, at least with those of Arena, the official party.

In last November's elections the rules were framed to favour Arena, and it ended up with a comfortable majority in both houses. The Brazilian Democratic Movement (MDB), the authorized opposition party, did particularly well, however, in some of the more developed parts of the country, such as São Paulo and Rio de Janeiro, where there was a strong protest vote against the military government. But both parties are essentially coalitions, with big internal differences, and the question now is whether advantage will be taken of recent legislation which allows new parties and new alignments. President Figueiredo's aim, if new parties are formed, will presumably be to ensure that he can count on a majority to support his policies.

PETER STRAFFORD

[1] See Albert Fishlow, 'Brazil's economic miracle', *The World Today*, November 1973.

Soviet strategic objectives for the 1980s

C. G. JACOBSEN

The West may have concentrated too much on the Central Balance in Europe. The main Soviet effort appears to be directed towards continued strategic defence research and priorities, and the acquisition of distant force projection capabilities.

WE are all on occasion too inclined to extrapolate from experiences and premises of the past. In this respect it is perhaps natural that Western defence correspondents tend to focus on the so-called Central Balance in Europe. Yet the possibly shifting correlation of forces in this theatre has been gradual, not precipitous; Nato superiority has been eroded, not superseded. The more arresting trends of the moment relate rather to the core of the strategic equation, to the impact of new technologies on the basic tenet of Mutual Assured Vulnerability (or, as some prefer, Mutual Assured Destruction, MAD), and to developments on the flanks. Angola and the Canadian Arctic may appear strange bedfellows, differing geographically, climatically, ethnically and historically. Yet the emergence of Soviet theory relevant to both points to a common denominator—the ever increasing importance given to location on flanks. Angola and the Canadian Arctic are both vital elements in creating a potential for flanking manœuvres that may have decisive importance for future strategic balance constellations. They are interrelated and perhaps even interdependent in the grander scheme, as are the Spitzbergen-Kola problem complex and the 'Canadian Basin' in the north.

The central variable must be treated first, however. To this end, a brief sketch of historical trends is necessary. The traditional Soviet predilection for an indigenous defence capacity led Moscow initially to disregard unfavourable estimates of relative cost, and to proceed very early with the development of Ballistic Missile Defence (BMD). The first experimental system was deployed already in 1961. By the mid-1960s improving defence technologies began to offer some promise against single warhead missiles. This explains the original postures adopted in the informal pre-

---

Dr Jacobsen, Research Fellow of the Institute of Soviet and East European Studies at Carleton University, Ottawa, and Visiting Professor (Chair of Strategic Studies) at Acadia University, Wolfville, N.S., Canada, is the author of *Soviet Strategy—Soviet Foreign Policy* (Glasgow: Robert MacLehose, The University Press, 1972; 2nd edn, 1974); at present he is completing a new book, *Soviet Strategic Initiatives; Challenge and Response*, to be published by Praeger Publishers, New York, next September.

liminary rounds of the strategic arms limitation talks (Salt), where the United States favoured curbs on defence, the area of Soviet advantage, whereas Moscow preferred to champion restrictions on offence, the sphere of US predominance. Then the emerging US development of multiple-warhead (MIRV) technologies, and attendant ability to swamp defences, changed the equation. By the time Washington decided to proceed with a limited defence effort of its own the backdrop showed Soviet BMD emasculated by MIRV, while more putative US systems retained promise due to continued Soviet reliance on single-warhead missiles. Moscow's recognition of changed realities found expression in 1967, when its efforts at BMD deployment were discontinued in favour of a new focus on offensive increments and MIRV research.

This period of Soviet disadvantage was reflected in the reversal of Salt postures once formal talks started in 1969 (they had been delayed following the intervention in Czechoslovakia); now Moscow sought defence restrictions, while the US singled out the need to restrain the surging growth of Soviet offensive missile numbers. It was only in 1972, with American acknowledgement that Soviet MIRV mastery was imminent, that the qualitative equation was balanced and Salt I could be signed.

In the meantime, the Soviet theoretical predisposition had not wavered. Even when existing technologies proved inadequate, in 1967, defence aspirations were not renounced. Existing defences around Moscow were retained, due to their continuing efficacy and promise vis à vis the potentials of third powers, especially China. And a concerted effort was made to offset decreasing prospects against US penetration, through a much expanded programme of civil defence and para-military training of the civilian populace. Finally, Moscow continued to devote considerable sums on research into more effective future BMD designs.

The acquisition of MIRVs, with its corollary negating of the potential of still limited US defence capability, clearly spurred Moscow to risk a more determined challenge to American offensive means. Soviet BMD research has been stepped up dramatically since 1972. New anti-ballistic missiles and associated radars have been tested, as have novel BMD modes based on high-energy laser and particle-beam technologies. Most Western scientists remain dubious about prospects for the kind of BMD technological revolution required to offset the super-powers' potentials for offensive penetration. Even those less sanguine talk in terms of a considerable number of years. Suffice it to note that the scale of Soviet allocations indicates at least a measure of expectation, and that success could revolutionize traditional balance-of-power concepts.

In lieu of fundamental change to the technological premises underlying the strategic balance, Moscow has shored up its Central Front capabilities, and pursued with ever increasing interest the potential for incremental change inherent in relatively soft flanks. The inexorable extension

of the Soviet Union's capacity for projecting its power reflects Moscow's push, following its acquisition in the early 1960s of a 'second-strike' deterrent force to match also the wider panoply of US capabilities. The push has brought about a startling shift on the international scene. Until 1960, Soviet Russia had been utterly incapable of sustaining a presence either in the high Arctic or in southern latitudes. By 1970 it was able to conduct history's first truly global naval manœuvres, Okean I. Today the scope of mutually supportive Soviet military and economic endeavours n the Arctic is such as to make the polar regions a favourable environment for them. And in southerly reaches, while Moscow has not annulled American potentials for intervention, its force projection capability is now sufficiently important to be decisive in areas where political circumstances are favourable. The crucial question for the future is whether and when discrepant trends will obviate the need for that caveat.

Before pursuing developments on the flanks, however, mention must be made of the evolution of Soviet theory. Through the 1960s the USSR held to its tradition of limiting explicit military commitments to immediately adjacent areas, and to what came to be known as the 'Socialist Commonwealth'. Its staunch support for distant revolutionary aspirations and 'wars of national liberation' remained theoretical, and studiously divorced from arenas where its own forces were obliged to act. Since the early 1970s, on the other hand, its emerging capabilities have made it less reluctant to assert and involve itself.

Extended commitments

Since 1972, a new branch of Soviet strategic literature has emerged, dealing with obligations and commitments in more distant parts of the world. Authors involved range from 'academics' like V. M. Kulish to professionals' like Admiral Gorshkov and the late Marshal Grechko to Brezhnev himself.[1] The literature has evolved from general statements of readiness actively to resist imperialist aggression, and assertions that distant Soviet state interests must and will be defended, to increasingly explicit and specific commitments. The confident pronouncements in spring 1978 on Soviet activity in the Horn of Africa illustrate this trend.[2]

One might well argue that it is not Soviet perceptions of strategic interests that have changed so much as Soviet means to pursue those interests. And it should be noted that Soviet policies and the coercive diplomacy based on these increased capabilities can be seen to answer

[1] See V. M. Kulish, *Voennaya Sila i Mezhdunarodnye otnoshenia* (Moscow: Izdatelstvo Mezhdunarodnye otnoshenia', 1972), p. 103 of JPRS translation; S. G. Gorshkov, *Morskaya Moshch' Gosudarstva* (Moscow: Voennizdat, 1976), p. 360; L. I. Brezhnev, Report of the CPSU Central Committee to the XXVth Congress (Moscow, 1976), p. 12 of FBIS translation.

[2] See *Pravda*, 22 January 1978; *Izvestia*, 31 January 1978; *New Times*, 2 February 1978.

strategic defensive as well as offensive needs. There can be little doubt that originally Soviet motivations in fact reflected defensive requirements, first the necessity to counter US carrier and submarine based strategic means, later the political imperative of being able to aid distant clients and allies. There may be little difference from the West's perspective between the Russians' securing or propping up unpalatable regimes that might otherwise have been 'de-stabilized' with impunity, and the clearly offensive character of traditional aggression. But the point should nevertheless be made.

When looking at Soviet developments on both the northern and southern flanks, the operative word is gradual, penny-wise and pound-sensitive. The north will be dealt with first. As evidenced in the Brest-Litovsk Treaty's astonishingly prescient reference to Svalbard, Moscow's perceptions relating to security in the north have always gone beyond the immediate concerns of the day. The threat to Leningrad dominated the inter-war period; by the end of the war geopolitical dictates shifted the focus to the Kola-Svalbard problem; the strategic parameters of the 1960s reinforced that priority, dictating the emergence of Murmansk/Kola as the most vital strategic area of the USSR; the 1970s have seen the emergence of pan-Arctica as a central factor in Soviet northern-rim perceptions.

Soviet interest in polar regions was always clear, as shown by the impressive historic record of Soviet Arctic research and activity. The noteworthy point is technology that is currently revolutionizing the accessibility of the Arctic and has increased its strategic priority. By 1967 the USSR proved capable of publishing tectonic/metalogic maps of the Arctic ocean floor, going right up to Canada's Arctic islands, which are ten times more precise than the best current Canadian maps of the islands' land structures.[3] By the mid-1970s Moscow had an ice-island in Canadian-claimed waters with a runway longer than any being constructed on the Canadian islands. In the more distant regions of Canada's domain, Soviet activity in the air, on the surface and below dwarfs that of the claimant power. Soviet (and US) initiatives in Canadian claimed waters are beyond Canada's ability to inspect or indeed monitor.

On the economic front, the USSR has led the way in charting the prospects of chemical, biological and geological wealth in the Arctic, and is rapidly developing the ability to exploit them. On the strategic front, its older submarines, those with limited-range missiles requiring proximity to the target, can now approach from the north. Similarly, hunter-killer submarines can, at present, also circumvent the possibly hazardous Greenland-Iceland-United Kingdom (GIUK) entry into the Atlantic

[3] See C. G. Jacobsen, *Soviet Strategic Interests and Canada's Northern Sovereignty* (Ottawa: Canadian Department of National Defence, February 1978), ORAE Extra-Mural Paper No. 4, chapters 2 and 3.

and, instead, look to Canadian Arctic island passages. Yet it is not just as a possibly favoured transit route that pan-Arctica appeals to Moscow. A 'familiar' pan-Arctica may be even more important to the prospect of a Soviet 'withholding strategy' for a majority of its Ballistic missile-carrying nuclear submarines (SSBNs), and there is considerable evidence that such a strategy now exists; it promises a considerable expansion of the acreage of 'home', or 'secure', waters.

Southerly latitudes have seen a parallel progression. Soviet oceanographic, fishing and merchant fleet activities expanded during the 1960s to establish a comprehensive and permanent Soviet presence in southern seas. The resultant accumulation of knowledge (and state economic interests) was then followed by the entry and similar expansion of Soviet naval means and presence. By 1975 Moscow's West African squadron was sizeable enough to manœuvre with politico-military effect against any designs the US Navy might have entertained in relation to Angola. It should be noted that the Soviet Navy's acquisition of ships capable of sustained distant operations has been complemented by an equally dramatic extension of Soviet air projecting potential. The, until then, inconceivable scale of the Soviet air lift capabilities demonstrated during Egypt's war of attrition with Israel has steadily expanded further, witness the scale of operations during the 1973 Middle-East war, during the Angolan conflict and, even more impressively, during the 1978 war in the Ogaden.

Interventionist policies

The trend of Soviet means and confidence can be traced through a series of incidents of muscle-flexing and gunboat diplomacy, beginning with the 1967 threat by the commander of the Soviet squadron in Alexandria to intervene against any Israeli crossing of the Suez Canal. There have been similar incidents every year since, ranging from the 1970 establishment of the West African patrol as a deterrent against Portuguese incursions into Guinea, the Soviet naval counter to US deployments during the Bangladesh crisis, and the ferrying of Moroccan troops during the 1973 Middle-East imbroglio; or one might mention the ultimatum which subsequently caused Washington to put pressure on Israel to desist from its thrust in the West Bank.[4] But the highlights were, of course, provided by Angola and Ethiopia.[5]

Soviet involvement in Angola was impressive in scope. The Russians demonstrated their ability to handle the complex co-ordination of

[4] *ibid.*, chapter 1; for a fuller treatment, see the author's forthcoming book, *Soviet Strategic Initiatives*.

[5] For background, see Stephen Larrabee, 'Moscow, Angola and the dialectics of détente', *The World Today*, May 1976; James Mayall, 'The battle for the Horn: Somali irredentism and international diplomacy', *ibid.*, September 1978; and Robert McGeehan, 'American policies and the US-Soviet relationship, *ibid.*

logistics, air and sea supplies from surprisingly varied sources (from Iraq to Cuba). The transport of men and equipment (including MIG 21s, T54 tanks, rocket launchers, mortars and rifles, trucks and bridge-building material) was accomplished with dispatch. The amounts and quality of aid were carefully calibrated to be sufficient but not extravagant for the task.

The context of the intervention was, of course, unique. Moscow's main strategic adversaries, the United States and China, were manœuvred into a situation in which they could only oppose its policies through support of tribal groupings unable to attract recognition from a single African regime. Washington and Peking allowed themselves to be perceived in the politically disastrous role of quasi-allies of Pretoria. Neither was able to back declaratory policies with the requisite action, one deterred by political constraints, the other by a lack of military capabilities.

A similar comment applies to the intervention in the Ogaden. Here the scale of the Soviet air/sea lift and the quantity and quality of the supplied arsenal (the most modern tanks, helicopter gunships, etc.) were even more impressive—as required by the more powerful capabilities of the new adversary; and so was the crushing air-lift/tank mobility that re-took Jijiga. Yet again the intervention was protected by a fortuitous environment. Because of the Organization of African Unity's sanctifying of the principle of non-violability of established borders, overt US assistance to the pro-forma aggressor, Somalia, was politically impossible. Washington's countering potential was stymied by the fact that its own African allies felt compelled to condone a Soviet-Cuban intervention defined as defending Ethiopia's territorial integrity.

In coming months or years Rhodesia and Southern Africa may provide similar circumstances to oil Soviet-Cuban interventionist designs. US policy options are again constrained by the context's racial imperatives (*viz.*, the 'anti-racist' banner of Soviet-supported causes). China's options are again squeezed between its practical inability to supplant the Soviet role and the deleterious ideological consequences of opposing it.

Moscow's willingness to repeat this type of initiative in an area with regard to which US policy options appear less restricted must remain open to considerable doubt. But there is the old saying that success breeds assurance. And the steadfastness of trends concerning capability does allow some scope for projection.

There is another relevant factor: the physical involvement also of Soviet allies like East Germany and most dramatically Cuba. Cuba's prominent role in the above-described conflict constellations is all the more interesting as it cannot be dismissed with the mere label 'proxy'. While Cuban interests appear complementary to Moscow's, they are also distinct. A number of independent motives propel Havana's actions: its cultural identification with Africa, as seen in its perception of itself as

an Afro-Latin society; the enduring Guevarist element of its ideological commitment, which compels it towards an activist participation in presumed anti-colonial and anti-imperialist struggles; the ideals-preserving and discontent-averting implications of the export of surplus expertise, from a society saturated by the output of dramatically extended educational opportunities to societies suffering from continued shortages; finally, the long-term implications of favoured access to raw materials and processing prospects such as conjured up by Angola. Soviet-Cuban interdependence may have been decisive for Havana's African role so far. But the consequent increase in capabilities and confidence may give increased room to particular Cuban rationales. Thus one could envisage future Cuban interventions either as an adjunct to Soviet interests or, conceivably, as independent phenomena (for example, in Latin America).

The scenario suggested above might, in certain circumstances, prove as discomforting to Moscow as it promises to be to Washington. And it may be too early to postulate the success that breeds assurance. African attrition of Cuba's sons and daughters could yet cause strains within Cuban society. Soviet policy councils still appear conservative and cautious to most. Past client relationships have all too often proved too difficult to manipulate and control. The fact remains that US capacity for intervention will not be nullified soon. And the US is still able to call on more allies in more conflict permutations than Moscow. Nevertheless, the fact of approaching similar capacity for the USSR is in itself startling. The differing dynamisms of the two sides of the equation may also prove more significant than suggested by a comparison restricted to the present. Meanwhile, the Soviet Union has furthermore found an extraordinarily effective procedural formula for intervention: Cuban troops in the front line, with their supplies and homeland guaranteed by Moscow. Cuban prominence causes less alarm and hostility than would Soviet prominence. One might hazard the guess that even a successful US counter-intervention against a 'Cuban' initiative could prove pyrrhic: the propaganda potential of a David and Goliath situation promises glory even to a 'defeated' Cuban force.

With the approach of the 1980s, the Central European front has remained much the same as in earlier decades. On the strategic front, however, Moscow has gone beyond the securing of countervailing power, and proceeded with programmes motivated by at least some hope of gaining advantage. The Soviet Union has also succeeded in establishing a powerful military, economic and diplomatic presence on the flanks. In the process it has negated the earlier unassailable US military freedom of manœuvre in this field, thereby dramatically changing the fundamental parameters of global politics. Soviet commitments in areas far from the homeland have been proved credible; Soviet protection has been shown to be a realistic alternative. Soviet policy choices for the 1980s are thus

no longer restricted to the defensive, reactive sphere, but allow rather for initiative and assertion. Moscow's choice in weighing continued restraints against new opportunities for muscle-flexing will be a prime determinant of the climate and realities of world politics. For, while the Soviet Union was previously a regional super-power, it is now emerging for the first time as a truly global power, with the flexibility of policy options this description implies.

Security problems on the Northern Flank

ANDERS C. SJAASTAD

TWENTY years ago Norway and the Northern Flank were in the then military strategy a peripheral area of Europe with only secondary importance being attached to it. While it also was far removed from the political centre of gravity, it was at the same time characterized by being politically a low-tension part of the continent. Thus, in both military and political terms Central Europe and the Southern Flank were the priority areas. Today, the strategic importance of the Northern Flank and of the northern waters has increased tremendously both when it comes to the central nuclear balance between the two super-powers and to the East-West conventional balance of power. The change of emphasis and the present status of the Northern Flank is the theme of this article.

Soviet and Norwegian peacetime interests

Soviet interests and policy in the north are an extension of Soviet general global policy and its philosophical outlook on present day international relations. In Moscow's opinion the correlation of forces is moving in its favour and it probably perceives the West as indecisive and the Western democracies as lacking a sense of purpose and political patience. In the north as well as in general the Russians expect to be treated as a super-power with global interests, which both the other super-power and the smaller states should accept and take into account in the formulation of *their* foreign policy. In the Soviet-Norwegian relationship this implies in Soviet eyes that Norway must adjust to the Soviet super-power position and interests to quite some extent since the specific Soviet interests in the northern area are so pronounced and vital. In

The author is Director of Information at the Norwegian Institute of International Affairs. This article appears simultaneously in Dutch in *Internationale Spectator*.

short, as the former Soviet Foreign Minister, Maxim Litvinov, said in the 1930s, the Soviet Union expects to be treated as a big power and 'not like Mexico'. Today, the Soviet Union possesses the political will and the military capability to put strength behind this long-standing Soviet attitude.

For years, the Northern area has been dominated by the bilateral relationship between the Soviet Union and Norway, i.e. a relationship between a super-power and a small state. In the shadow of the increasing Soviet military might a lack of regional balance of power has developed. And the more important the Northern area is becoming, regarding military strategy, the more difficult it becomes for a small state to look after its rights and interests. That is the reason why it is ever more essential for Norway to have the understanding and support of its allies in the pursuit of its 'Nordpolitik'. At the same time, the existence of globally scarce mineral and natural resources in the northern waters and on the continental shelf does in itself carry the possibility of creating new conflicts, not only between Norway and the Soviet Union but also between Norway and some of its Western allies as well. In these sensitive waters, Norway is trying to defend its right to resource extraction, survey and control of the activities inside the 200-mile exclusive economic zone, and in addition administer the Spitzbergen Treaty and its stipulations in a way which takes care of Norway's own interests and those of the 40-odd signatory powers. This demands a comprehensive 'Nordpolitik' in which the various Norwegian interests are taken into account according to their priority. What Norway has to offer in the north is first and foremost peace and stability in the area by administering some of the resources to be found there, thus preventing an international 'gold rush'. On the other hand, this has to be done in a manner which duly takes into consideration the interests of the other states.[1]

The Svalbard issue

The Soviet Union was never satisfied with the Spitzbergen Treaty and the fact that Norway was given sovereignty over the islands. When the Soviet Foreign Minister, Vyacheslav Molotov, in 1944 told his Norwegian counterpart, Trygve Lie, during his visit to Moscow, that the Soviet Union wanted the Treaty revoked, that Spitzbergen should be ruled through a Soviet-Norwegian condominium and that the Bear Island should be put under Soviet sovereignty, this truly reflected Soviet interests. After the Second World War and after Norway finally turned down the Soviet claim, the Russians changed their tactics, and have since worked on and off to establish a firm Soviet say in the management of

[1] For a further discussion of the various issues at stake in the northern waters, see Anders C. Sjaastad, *The Changing Geopolitical Environment on the Northern Flank*. NUPI/Notat No. 155, October 1978.

Svalbard affairs, without trying to obtain formal alterations in the Treaty. Particularly since the end of the 1960s, the Soviet Union has tried systematically to persuade Norway to accept the principle of prior Norwegian-Soviet consultations concerning any law or measure affecting Svalbard. When Norway's Prime Minister, Trygve Bratteli, visited the Soviet Union in 1974, the Russians wanted the two countries to issue a declaration of principles stating that Norway and the Soviet Union were in a unique position with regard to activities on Svalbard. The Soviet Union also wanted a general co-operation agreement which would call for regular political consultations and the establishment of a number of concrete co-operation projects; the latter could have been used by the Soviet Union in connexion with outstanding questions affecting Svalbard. However, the Soviet call for a declaration of principles and wish for a co-operative agreement were both turned down by the Norwegian delegation, after, among other things, a tough nightly session drafting the final communiqué following the official visit. Ever since, Norway has turned down all Soviet attempts to emphasize the importance of the two countries' co-operation on Svalbard as being in conflict with the Spitzbergen Treaty in that it would favour the Soviet Union at the expense of the interests of the other signatory powers. The Spitzbergen Treaty does as a principle prescribe equal treatment of all signatory powers and their nationals, but 'subject to the observance of local laws and regulations'. However, the Soviet Union has not been willing to accept various laws and regulations which Norway has made applicable to Svalbard on the basis of the Treaty. Among the many incidents, the Russians never followed the correct procedure which was to file a registration when they replaced their old helicopters with modern and bigger ones in 1976, nor did they report properly a helicopter accident a year later, as they were supposed to do according to the Norwegian air traffic regulations. Also, to operate helicopters legally on Svalbard does require permission from the Norwegian authorities—the Russians did apply for it some years ago, but for the past five years they have stopped asking for a permission.

For many decades, Norway did not exercise its sovereignty on Svalbard forcefully enough, and the Norwegian authorities did not want to act uncompromisingly in practical matters of little consequence. Thus, negligence has added up over the years and the Russians have taken advantage of it. In the past few years, Norway has come to realize that it has not only rights but also duties according to the Treaty, and that it is a Norwegian responsibility to ensure that the Treaty is properly adhered to. Whenever the Spitzbergen Treaty does restrict Norwegian sovereignty and jurisdiction, this is done explicitly and by allocating to the signatory powers and their inhabitants certain clearly defined rights. The exercise of Norwegian sovereignty is, however, made difficult by paragraph 9 in the Treaty which forbids the establishment of any 'naval

base', and the construction of 'any fortification' on the islands, which may not be used 'for warlike purposes'. On the other hand, with the steady increase in activities on the islands and in the surrounding waters, the need for efficient surveillance has increased proportionally. The decision to build a separate Norwegian Coast Guard, which will operate helicopters and specially designed surface vessels, should in due course produce the instrument needed to conduct surveillance and fishery protection, especially in the military sensitive area of Svalbard, and, together with regular units from the Navy and Air Force, look after Norwegian interests inside the 200-mile economic zone. After all, Norway cannot abdicate its responsibility under the Spitzbergen Treaty, and the Treaty gives Norway no right to transfer the duty to enforce it, be it to the Soviet Union or to any Western country.

Soviet military capability

The security environment of the Northern Flank has changed considerably since the immediate post-war era. The most important change has been the tremendous increase in Soviet naval power through the 1960s and right up to this day. While the old Soviet Navy was primarily capable of coastal defence, the present Soviet force has the strength to pursue a global role and has for some years now been perceived as a match for the US Navy. Nowhere has the Soviet naval build-up been more significant than in the northern waters; with its base structure on the Kola Peninsula, it is uncomfortably close to Norwegian territory.

The Soviet Northern Fleet, which is based around Murmansk, is the largest of the four Soviet Fleets. It is particularly submarine-orientated, although it has substantial surface and air components. Currently, the Northern Fleet has approximately 170 submarines, including some 70 per cent of all Soviet submarine-launched ballistic missiles (SLBM). Of the remaining submarines 40–50 are cruise missile-launching and 80 are torpedo attack types. Roughly, half of all the submarines are nuclear-powered. The Kola base comprises 55–60 major surface combatants (cruiser-, destroyer- and frigate-types), 15 of which are equipped with surface-to-surface missiles (SSM) or surface-to-air missiles (SAM), or both. The Northern Fleet has also some 320 fixed-wing combat aircraft, 80 helicopters and 40 transport planes.

The Soviet Union maintains a naval infantry brigade of approximately 2,000 men on the Kola Peninsula. In addition, there are two motorized divisions of some 28,000 men stationed there. For several years, the Soviet divisions on the Kola Peninsula have been trained in amphibious operations. The infrastructure of the base area includes about 40 airfields half of which having runways exceeding 1,800 metres. Two I/MRBM (medium-range ballistic-missile) bases with 10 launchers (SS-4/SS-5)

aimed at Northern Europe are located south of Murmansk and the perimeter acquisition radar of the Moscow ABM (anti-ballistic-missile) system 'Galosh' is located in the same region. The Kola fiord contains important shipyards for repairs and constructions. The total manning of the Northern Fleet is close to 120,000 men. The Kola base with its personnel, equipment and infrastructure is for the Soviet Union a rather important piece of real estate—to put it mildly.[2]

In the immediate post-war years, the Soviet naval manœuvres of the Northern and Baltic Fleets were carried out primarily in the fleet areas of the Barents and Baltic Sea. These are still the main training grounds with daily exercises on a year-round basis. In the early 1950s, the naval exercises of the Northern Fleet indicated that, in the Soviet view, the primary confrontation between Soviet naval forces and Western naval units would take place north and east of the Lofoten Islands in northern Norway. From 1956 on, the operational areas were extended westward, possibly in response to the improved range of US carrier-based aircraft. Since 1963, a new manœuvre pattern has emerged based on two major exercises per year, one in the autumn and one in the spring. The area of operations now extends to the whole of the Norwegian Sea and, occasionally, also into the central parts of the Atlantic. The exercises indicate that Soviet naval planners may regard the Greenland–Iceland–UK (GIUK) gap as their forward defence zone covering the access routes to and from the Atlantic. During their exercises the Russians have carried out transfers of surface and submarine units between the Northern Fleet, the Baltic Fleet and the Mediterranean Escadrilla. Many manœuvres have also contained amphibious assault exercises during which, for instance, amphibious forces have carried out landing manœuvres against defended coast on the Kola Peninsula, not far from the Norwegian border. The earlier Soviet naval manœuvres were primarily intended to be anti-strike fleet exercises. Later manœuvres have, however, put heavy stress on anti-submarine-warfare (ASW) training. The latter type of exercises requires intimate interactions between the various weapon-systems, planes, surface vessels and submarines, and because of its complexity there is a great need for frequent manœuvres.

During the giant manœuvre VESNA 1975 the Russians seemed to exercise attacks against simulated Western reinforcements and convoys heading for Europe from North America. The exercise was accompanied by heavy air activity and for the first time did 'Backfire' fly missions from Kola. In connexion with this exercise, approximately half a dozen 'Backfires' were transferred to the Northern Fleet from their bases in Central

[2] The figures are taken from Robert G. Weinland, 'The State and Future of the Soviet Navy in the North Atlantic', in Christoph Bertram and Johan J. Holst (eds.), *New Strategic Factors in the North Atlantic* (Oslo: Universitetsforlaget, 1977), pp. 56–9, and from *The Military Balance, 1977–78* (Norwegian edition), pp. 73–82.

Soviet Union and returned to home bases only after the exercise was completed.[8]

Neither of the two super-powers appears to have opted for a policy of command of the Norwegian Sea by means of steady state deployments there. So far they seem instead inclined to opt for a policy of reciprocal 'command denial'. However, over time the Russians might try to seek preponderance in these ocean areas and then ensues the question of US and Nato political will and military capability: whether they are able to resist such a development.

The Russians have traditionally lacked proper air-cover for naval operations over larger parts of the North Atlantic. The Soviet Fleet has no home bases or indirect supporting facilities along the Norwegian Sea. In later years, however, the range of Soviet tactical air forces has increased significantly and the modern Soviet strike aircraft can now extend their mission much further into the Norwegian Sea. The Soviet Union's first aircraft carrier *Kiev* is now stationed in Murmansk. It is still too soon to know for certain whether *Kiev* or any of its successors will be permanently deployed to the Northern Fleet, but the ordering of a giant floating dock from Western Germany capable of supporting the *Kiev* which the Soviet Northern Fleet currently lacks adds to this suspicion. In addition, since ASW missions seem to be one of the primary tasks of the *Kiev*, it makes a lot of sense for the Russians to deploy *Kiev* to the northern waters where ASW activities and ASW ability are given top priority from the Soviet side. Especially in an early phase of a conflict, the *Kiev* carrier-type could be of great utility in the North Atlantic/North Norwegian Sea, not least because these ships could—due to the relatively short transit distance—deploy to these waters much faster than the American carriers could usually hope to do. The V/STOL aircraft on board the *Kiev* could improve the Soviet tactical air capability, also in connexion with amphibious operations against the Scandinavian coast. However, it seems fairly certain that the *Kiev* carriers will be no match for the much larger nuclear-powered American carriers of the *Nimitz* class, especially because of the latter's highly superior carrier-based aircraft. The problem on the American side, however, will be the threat represented by the Soviet submarine fleet and the problem remains of how 'sanitized' the northern waters will have to be before the American carriers would be ordered to enter these areas. It has previously been stated, though, from American naval commanders in charge that they would be prepared in an armed conflict to risk their carriers and enter the northern waters without waiting for the Soviet submarine threat to be eliminated.

The Soviet inferiority in air cover for naval operations and other

[8] For [illegible] VESNA–75, see Anders C. Sjaastad and John Kristen [illegible] *[illegible]het i Norskehavsområdet* ('Politics and Security in the environment of the Norwegian Sea') (Oslo: Dreyer, 1975), pp. 88–90.

strategic deficiencies in the Soviet posture could imply pre-emptive instability in a crisis situation. Because the Soviet vessels would need to exit from the Baltic and Barents Sea in order to take up forward defence positions, Soviet decision-makers would presumably be subject to considerable pressures for an early deployment of the fleet in an emergency. The Russians possess a demonstrated capacity for rapid seizure of contiguous coastal areas and could project a formidable protective screen against intruders into their defensive zones, which also might happen to be defensive areas for some of their potential opponents like Norway.

Changing military factors on the Northern Flank

Since the advent of the ballistic missile-firing submarine, the North Atlantic and the Norwegian Sea have occupied a central position in the nuclear strategy of the two super-powers. For the United States, it became an area of deployment as a significant number of American (and later probably British and French) nuclear ballistic missile submarines (SSBN) were deployed in the northern waters. For the Soviet SSBN, it became an area of transit *en route* to and from stations off the eastern coast of North America. The older generations of SSBNs, including the Yankee class, have to depart from the Norwegian Sea in order to reach stations which enable them to cover potential targets in the United States. Thus, limitations of missile range and the location of Canada made the Norwegian Sea an important Soviet strategic transit zone as well as a forward defence area.

By the same token, the Greenland–Iceland–UK gap constitutes a forward line of North American Continental defence. Consequently, both sides took great interest in strategic ASW in the area, particularly in its Eastern parts. With the increasing range of submarine-launched missiles, the American interest in deployment in the Norwegian Sea and the Soviet need for transit through these waters gradually decreased. The various versions of the new Delta class SSBN, with its SS-N-8 missile with a range of 4,200 nautical miles and 5,200 nautical miles for the SS-N-18 fitted into the Delta III, possess the capacity to cover the whole of North America and the rest of Nato without the parent submarine leaving the Barents and Norwegian Seas. In order to have short transit lines, maximum time on station, the best anti-ASW protection, and the best possible communications with the home base which controls its operations, most of the Delta submarines are home-ported with the Northern Fleet and deployed to northern waters, although less than 15 per cent of the total SSBN force remain on station at any time. This development does not reduce the strategic importance of the oceans bordering Norway. American hunter-killer submarines will have to transit the Norwegian Sea northwards in order to get at the Delta SSBNs. Consequently, this dogfight might take place even closer to Norwegian territory.

It is also worth recalling that some 22 Yankee class submarines, which are deployed with the Northern Fleet and which will remain in the Soviet inventory for many years, must still transit the Norwegian Sea to reach their stations. Also Soviet hunter-killer submarines have to pass through these waters in search of US SSBNs. Last, but not least, the large number of Soviet surface vessels and anti-shipping submarines will continue to transit through the Norwegian Sea and the North Atlantic. When the US Trident class submarines start entering the American inventory at the turn of the decade, the US need of the Norwegian Sea as a deployment area for its SSBNs will further decrease since its increased SLBM range will permit a more flexible geographical deployment.

The North Atlantic is vital for the sea lanes of communication between North America and Europe. The feasibility of reinforcements from the US and Canada to Europe, especially to Northern Europe, is critically dependent on the use of these lines of communication in an emergency. Accordingly, the Western Alliance has strong interest in both sea control and tactical ASW in the area in order to keep the lanes open.

When Norway joined Nato in 1949 and the Norwegian Government did not permit allied bases on its soil in peacetime or without being threatened, this policy rested on the premise that the Western sea powers, particularly the US, would maintain sufficient naval strength to dominate the high seas, the northern waters included. The policy of denying foreign bases and later nuclear weapons in Norway was an attempt to strike a balance between military strength based on Norwegian membership of Nato and reticence in order not to stimulate a Soviet reaction. However, in case of war threat, the Norwegian Government did expect its allies to transfer, without serious military opposition, troops and equipment to assist Norway. Since the Northern Fleet and the Kola base system are of vital importance to the Russians in order both to preserve a credible sea-based nuclear deterrent and to give the Soviet general purpose forces a free access to the high seas, it appears likely that the Soviet Union will attempt to establish sea control in the Norwegian Sea in times of crisis.

This objective collides head-on with the Western interest in securing the sea lanes of communication across the North Atlantic.[4] Soviet naval power, particularly the modern anti-shipping submarines and the long-range naval aviation, has made it more difficult and costly for the Alliance to reinforce the Northern Flank if an attack has been launched. Since Norway has not allowed the stationing of foreign troops on its soil in peacetime, the credibility of the American guarantee has never been associated with a particular level of US troops in Northern Europe. How-

[4] This section is so far largely based on Anders C. Sjaastad and John Kristen Skogan, 'The Strategic Environment of the North Atlantic and the Perspectives of the Littoral States', in Bertram and Holst, *op. cit.*, pp. 26–8.

ever, the credibility is dependent on the perception of US ability to deliver the necessary reinforcements in time and place. A Soviet forward deployment in crisis or wartime creates problems for transfer of allied reinforcements. Not that this task would necessarily be made impossible, it would only require more strength and greater willingness to pay the costs on the Western side. As late as 1970, interdiction oi sea lanes was way down on the mission list of the Soviet Navy. Now this mission has apparently moved up to second position behind strategic deterrence. At the same time, it is questionable whether the Soviet capability to interdict Western convoys has increased correspondingly. The Soviet anti-shipping naval forces have been modernized during the past decade, especially with regard to unit effectiveness. However, it is still arguable if this qualitative improvement can compensate for the retirement of a large number of diesel anti-shipping submarines, leaving the Soviet fleet with a comparatively small number of highly potent nuclear-powered submarines with anti-shipping capability.[5] In the Norwegian Sea and the North Atlantic, the Soviet submarine challenge to Western capital ships and cargo vessels would, nevertheless, be more pronounced than elsewhere, say off the coast of Africa. Thus, high-value assets like aircraft carriers that give the West definite superiority in other ocean areas, while at the same time remaining comparatively invulnerable, face the more serious challenge in the northern waters from the numerous and less expensive and thus more expendable Soviet naval vessels. This is reinforced by the very limitations of the Soviet Navy due to the inflexibility of the missile systems and the frequent lack of reload capability. Recent American naval options studies like Sea Plan 2000 and the on-going debate about the future of the US Navy, and particularly the fate of the aircraft carrier, are of no small concern to Europe, not least to Norway, which is so dependent upon allied reinforcements in case of conflict or war. Already the peacetime effect of a change in US naval strategy in terms of reduced forward deployment could be substantiated. A lack of US willingness to deploy aircraft carriers and carrier task forces to the northern waters to exercise or to take part in naval Nato manœuvres would indicate both to its allies and to the Soviet Union that the Norwegian and Barents Seas in wartime are left to the dominance of Soviet naval units. The sensible answer to the Soviet challenge is not to remove from the sea the most

[5] The Soviet Navy possesses altogether less than 20 nuclear-powered attack submarines with cruise missiles and underwater launch capability ('Papa'-, 'Charlie' I and II classes) of which two-thirds are deployed to the Northern Fleet and 20-odd modern nuclear-powered-attack-torpedo-carrying submarines ('Victor' I and II classes) of which three-quarters are deployed to the Northern Fleet. However, some of these submarines will also have other tasks like countering the US nuclear-powered hunter-killer submarines. In addition, some of the more modern diesel-powered attack submarines like the 'Tango' and the 'Foxtrot' classes are probably quite potent also in the anti-shipping role. The figures are taken from *Jane's Fighting Ships 1978–79* and *The Military Balance*, *op. cit.*

formidable Western trump card, the very same aircraft-carrier, but rather to increase the tactical ASW capability, thus denying the Russians efficient wartime use of their hunter-killer submarine force.

From a flank perspective any increase of a US naval peacetime presence in the northern waters must be welcomed. However, it need not be permanent deployment; frequent training and exercises in these ocean areas by carrier task forces would suffice. After all, aircraft carriers tend to be visible and bring political messages across. Western naval manœuvres in northern waters outside the vital Soviet ocean areas in the Barents Sea could not be taken to represent any provocation against the Russians, since the exercises would keep away from direct contact with the Soviet Fleet, nor would they be conducted within the reach of Soviet land-based tactical air coverage. An increase in the US naval presence in the Norwegian Sea is ever more important, not only because of enhanced Soviet naval capability but also because technological development will reduce the need of the United States to deploy its strategic submarines in these waters when in the early 1980s it will have its Trident system in operative status. The Americans will have obtained the necessary deployment flexibility, and firing stations elsewhere than in the northern waters will probably be preferable in order to reduce the risk of detection and thus avoid potential ASW efforts. This means that a US naval presence in northern waters will be reduced to hunter-killer submarines on mission and to manœuvres with surface forces from time to time. One cannot preclude that at least parts of the Northern Flank will increasingly have to be seen in relation to the Soviet Union's vital strategic interests in the area. On the other hand, the physical counterweight, which can be supplied only by the United States, will be less visible, despite the high probability that the US will not remain aloof to Soviet attempts to increase its hegemony on the Northern Flank.

Northern Flank

Regardless of the indigenous value for the Soviet Union of possessing Norwegian territory and property, the rationale for a military attack on Norway must be closely linked with increased East–West tension and acute super-power rivalry. Even Norway's potential oil resources are not in themselves of sufficient value to justify taking the risks involved in starting a war against Norway. Thus, a military conflict between the Soviet Union and Norway is not rooted in the bilateral relationship as such, but in the strategic value of Norwegian territory in connexion with a likely or emerging East–West military conflict, and particularly linked to dispositions with regard to the central nuclear balance between the two super-powers. The formal treaty obligations aside, the other Nato countries must thus regard a Soviet attack on Norway not only as an act of aggression against a fellow ally but also as constituting a threat against

their own security, since the attack is conceived and executed by the Soviet Union in the context of a general war. Consequently, Norway's Nato allies, and, in particular, the United States, should in their own interest be prepared to try to exercise sea control in the Norwegian Sea and the North Atlantic and in so doing contribute to securing the vital sea lanes necessary to ensure reinforcements to reach Central Europe and the two flanks.

In the era of the doctrine of massive retaliation, Nato did not put much emphasis on or efforts into creating an approximate conventional balance of forces in the various regions of Europe. A determined military attack by the Warsaw Pact was ultimately to be met with nuclear weapons. As long as this doctrine seemed valid and credible, Norway for one was less concerned about a possible limited Soviet attack against parts of the country, with northern Norway being militarily most exposed to Soviet ventures. And although the conventional balance on the Northern Flank was less than satisfactory to Nato, the Soviet conventional attack capability was much less formidable than it is today. In particular, the Soviet ground forces lacked sufficient mobility to conquer in a blitzkrieg fashion the vast areas of northern Norway with its poor infrastructure—lacking proper roads, as well as rail and airfields. With the introduction of the doctrine of flexible response, Nato's lack of adequate conventional capability became much more serious and Norway, for its part, started to become seriously concerned about the possibility of an isolated and limited Soviet attack on northern Norway. The Soviet naval build-up and the improved amphibious assault and tactical air capability have increased the Soviet ability to carry out such an attack and also the hope of making it a fait accompli operation.

According to the report recently submitted by the Government-appointed Defence Commission,* there are in principle two categories of military attacks against Norway which are deemed plausible. The first category includes limited armed aggression by the Soviet Union against northern Norway. The Soviet Union may want to engage in such an attack in order to improve its strategic position, to spread out its military base structure and create a buffer protecting the Kola base, to gain access to airfields and harbours closer to the Norwegian Sea and the North Atlantic etc. However, the Soviet motivation to launch an attack against northern Norway and to try to keep it limited must nevertheless be seen from the Soviet side in the light of super-power rivalry and East–West confrontation. If such an attack were to happen at all, it is most likely to be regarded by the Russians themselves as a pre-emptive action. Whether or not the Soviet Union could hope to turn a limited campaign against northern Norway into a surprise attack would critically depend not only on Nato intelligence and the ability to take military precautions in time but also on the

* *Forsvarskommisjonen av 1974*, NOU 1978: 9, Universitetsforlaget.

fighting strength of the in-place forces and their ability to keep up the fight until national and allied reinforcements could arrive. If the Soviet leaders judged the Norwegian force in the north to have sufficient fight-ing capability not to dare to attack it with only the in-place forces pres-ently stationed on the Kola Peninsula, and they were still hoping to make the attack into a swift and clean fait accompli operation, they may have to choose between either reinforcing their units in advance, and thus reducing the chances of taking Norway by surprise, or giving up the idea of an attack altogether. Thus, it does not appear to be beyond reach for Norway and Nato to make an isolated Soviet attack on northern Norway unprofitable, and the threshold of credible deterrence does not seem to be very far beyond the present efforts. It does, however, require a sub-stantial upgrading of the Norwegian forces as well as measures designed to cut the transfer-time of allied reinforcements. The second conflict scenario is directly tied in with a major European war, whether it stays conventional or sooner or later turns into a nuclear exchange, and during which Norway, and most likely both the northern and the southern parts of the country, is attacked at some stage. Because the Norwegian territory is narrow from east to west but longstretched from north to south, and at the same time thinly populated, especially in the north, Norwegian defence planners have always had to try to reconcile the defence require-ments which the two categories of conflict scenarios present. However, northern Norway has been given priority and this should still be the case according to the report from the Defence Commission. Most of the standing military forces are deployed to the north in peacetime since the Soviet Union might under certain circumstances try to wage a limited surprise attack against northern Norway, whereas an attack on the whole country during an all-European campaign would give Norway more warning time to mobilize its reservist forces and deploy them to the key defensive areas in the south and in the north.

Political influence of Soviet naval build-up

The Soviet Navy and its deployment pattern have significance way beyond the actual use of force in a general war. For the littoral states and important segments of their population, the appearance of a naval im-balance in the North Atlantic in favour of the Soviet Union influences their thinking and possibly also their actions. The Soviet naval pre-ponderance appears much more overwhelming than what can be sup-ported by facts and figures. However, it is the beliefs that decide be-haviour and policy. In the last few years there has been a growing public concern in Norway about the weakness of the Norwegian defences in southern Norway in the light of the growing Soviet naval capability. Many Norwegians feel that the Soviet Navy now constitutes a threat to the safety of southern Norway and that an attack can be carried out under

the disguise of a regular naval exercise. Although the Defence Commission suggests some improvement in the defence of southern Norway, it does not believe, however, that the Soviet Union could risk an attack on southern Norway without first having gained control over the Baltic approaches in order to effectuate swift transport of equipment and reinforcements from bases in the Baltic. And a military effort to gain this control would certainly be met with Nato resistance which could lead to a major European armed conflict. Thus, the Defence Commission did not want to suggest any reallocation of resources from the defence of northern Norway to the defence of southern Norway. On the contrary, most of the strengthening of the total Norwegian defence capability that the Commission proposes will be channelled into the defence of northern and partly middle Norway. Nevertheless, the consequences of being located behind prospected Soviet forward zones of defence may become politically somewhat suffocating for Norway in time of crises. The GIUK gap is closer to Murmansk than to Norfolk. Already in peacetime the perceived Soviet naval might could be used to try to exert political pressure on the littoral states and could give the Russians political benefits. The political shadow of military superiority could represent, for the time being, a greater challenge to the countries of the Northern Flank than the more distant danger of a shooting-war with the Soviet Union. To Norway, the recent military development and the increasing lack of local force balance on the Northern Flank are better reasons than ever to stick to Nato. No oil wealth can buy Norway a strategically less important geographical location. Neither, to quote Stalin, is geography something about which one negotiates.

Carter's human rights policy and the 95th Congress

G. D. LOESCHER

ALTHOUGH the Carter Administration claims to have made human rights the centrepiece of a new American foreign policy, the determination of Congress to place human rights high on the nation's legislative agenda clearly pre-dated Inauguration Day 1977.[1] As early as 1973, the American

[1] See the author's 'US human rights policy and international financial institutions', *The World Today*, December 1977.

Dr Loescher is a Visiting Fellow at the Centre for International Studies at the London School of Economics and Political Science; editor, with Donald Kommers, of *American Foreign Policy and Human Rights* (Notre Dame/London: Notre Dame University Press, 1979).

Congress felt it was wrong, both in terms of American traditions and values as well as American security, for the US to have as its allies repressive and corrupt governments. In reaction to the pragmatic policies of the Nixon and Ford Administrations, Congress passed legislation which placed limits on US economic and military aid to countries which consistently violated the human rights of their citizens. In order to set itself apart from the policy of its predecessors, the Carter Administration gave human rights issues high priority in American foreign policy. It was expected that the President would have few difficulties with the 95th Congress on this issue and would be able to restore credibility and confidence in the Executive's intent to pursue a more idealistic foreign policy. However, the new Administration found that the inevitable tension between idealism and realism in foreign policy created innumerable difficulties for the implementation of an even-handed human rights policy. Repeatedly, considerations other than human rights were given priority in American foreign policy and, much to the chagrin of Congressional human rights advocates, the Carter Administration developed a genuine human rights policy only for a handful of countries with which it was marginally involved. These inconsistencies in policy led to confrontation between Congress and the Administration and motivated individual legislators to initiate further restrictive human rights legislation during the 95th Congress. The most significant development of the 95th Congress was the striking contrast in the human rights scorecard between the first (1977) and the second (1978) sessions and the fact that Congress now appears to be co-operating with the Executive on human rights issues.

The first session: assertive mood

During the first session of the 95th Congress, an alliance of liberals and conservatives managed to link US aid—multilateral as well as bilateral—with human rights concerns. In particular, the attachment of two amendments to pending legislation during the 1977 session highlighted the concern of Congress for human rights. These were the Harkin Amendment to the International Financial Institutions Bill of 1977, which would require US directors on the international financial institutions (IFIs) to vote against aid to any government guilty of gross violations of human rights unless such assistance would go to the needy, and the Young Amendment to the Foreign Assistance Appropriations Bill of 1978, which would block direct and indirect aid to Uganda, Cambodia, Laos, Vietnam, Cuba, Angola and Mozambique. The Carter Administration mounted a strong effort to counter these amendments, arguing that such approaches were 'too rigid' and that more flexibility was needed to administer a human rights policy effectively. After drawn-out battles, the Administration reached compromise agreements with Congress on both

amendments. House and Senate conferees agreed to modify the Harkin provision by requiring the US representatives to IFIs to oppose or abstain from voting on multilateral assistance to human rights violators, instead of flatly mandating them to cast a negative vote in such cases. A compromise was struck over the Young Amendment when President Carter, in a letter to Clarence Long, Chairman of the House Foreign Relations Subcommittee, promised that the US representatives to IFIs would vote against loans to the seven countries throughout fiscal year 1978.[2]

Congress was able to write human rights into foreign economic policy legislation with relative ease during the first session for a number of reasons. The 95th Congress, and the House in particular, was made up of independent-minded members who were subject to very little central control. Although in January 1977 the Democrats enjoyed a nearly two-to-one majority in the House and Senate, so that it might have been expected that a Democratic President would have few difficulties with his legislative proposals, many Democrats had initially been elected in the Watergate and recession year of 1974 and those members who sought re-election or entry to the House for the first time in 1976 did not ride to victory on Jimmy Carter's coat-tails. Hence, there was no electoral dependence of members of the 95th Congress on Carter, and Congressmen felt no need to vote with the White House on legislative matters solely for reasons of Party loyalty.

Structural changes within Congress itself had made legislators less amenable to Presidential persuasion. Rules changes introduced by the Democratic Caucus in 1975 dispersed power in the House very widely. Control passed out of the hands of the occupants of a few key committee chairs to the rank and file membership. These changes made it difficult for President Carter to dictate legislation, for the Administration now had to exercise influence not only over a small number of committee chairmen and other senior members but over the entire membership of the House.[3]

Congressional focus on human rights was also part of a larger effort to reassert legislative authority in the formulation of American foreign policy in the post-Vietnam era. Because of the lingering effects of Watergate, Indochina, and other abuses of Presidential power, it was very difficult for President Carter to attempt to coerce legislators to vote with the White House on human rights issues. Administration pleas were not well received by many Congressmen who felt that they had been unduly manipulated by past Administrations and were jealous of their hard-won initiative in the human rights sphere.

[2] The relevant sections of the letter are reproduced in *International Action* (Washington, D.C.: American Council on Education, November 1977), p. 2.

[3] See Gebhard Schweigler, 'Carter's dilemmas: presidential power and its limits', *The World Today*, February 1978, pp. 51–3.

Impact of the first session

Despite their opposition to the Harkin Amendment, Administration officials acted in the spirit of the legislation when casting IFI votes, and the amendment soon made an impact on the pattern of US multilateral lending and aid programmes. The Inter-Agency Group on Human Rights and Foreign Assistance, the Christopher Committee, which was set up in early 1977, reviews upcoming AID, PL-480, Ex-Im, OPIC and international bank loans using human rights criteria. Since May 1977, it has ordered 11 'no' votes and 21 abstentions on loans from the World Bank and other IFIs.[4] European nations are now following the recent American lead in voting against human rights violators at IFI board meetings.[5] This is a remarkable reversal of the pre-Carter situation when, for example, the major European countries in the World Bank opposed or abstained on loans to Chile while the Ford Administration continued to vote for them.[6]

On the bilateral level, the Administration has cut its direct aid programme to authoritarian Latin American governments. Most of these states now receive substantially less aid than in recent years and several nations with good human rights records such as Costa Rica, Guyana and Jamaica now receive much more direct aid from the United States than previously.[7] In addition to this dramatic restructuring of bilateral aid to Latin America, the US has made forceful initiatives in the Dominican Republic and Bolivia by threatening aid cut-offs unless election results were honoured. This again differs greatly from past practice, particularly in the case of the Dominican Republic where the US sent in the Marines to impose an anti-democratic government in 1965. More recently, Washington stopped just short of breaking off diplomatic relations with Nicaragua, but halved the number of American officials and cancelled the American economic aid programme there in displeasure at President Anastasio Somoza's continued rejection of an internationally mediated solution to Nicaragua's internal conflict.

While the Administration has withheld aid on human rights grounds in Latin America, it has been very reluctant to exercise this option in the

[4] Jim Morrell, 'Carter's human rights policy: a plus', *International Herald Tribune*, 26 October 1978. According to Mark Schneider, Deputy Assistant Secretary of the Bureau of Human Rights, the number of 'no' votes and abstentions is actually higher.

[5] EEC countries are also joining together to take a stand on human rights violations in Chile, Argentina, Paraguay and other countries. The British and Dutch are trying to introduce human rights provisions to the Lomé Convention and this could have substantial effect on the trade preferences granted to a number of countries in the Caribbean and Africa.

[6] 'World pours money into Chile', *The Times*, 21 February 1976.

[7] For an analysis of this trend see Lars Schoultz, 'U.S. Policy toward Human Rights in Latin America: A Comparative Analysis of Two Administrations', International Studies Association, May 1978. It should also be noted that there has been a considerable shift from bilateral aid to private loans from banks to Latin America during the past two years.

case of 'strategic allies' in the non-Western world. For example, the authoritarian governments of South Korea, Indonesia and the Philippines are programmed to receive more than twice the total aid to all of Latin America's 23 nations in 1979. Despite evidence that these countries are some of the world's most egregious violators of human rights, a high level of aid is continued because of traditional foreign policy concerns. Many critics consider this to be one of the major shortcomings of Carter's human rights policy.

The second session: beating a retreat

Frustrated by the uneven and selective standards being applied by the Executive, liberal members of Congress attempted to expand the scope of human rights provisions and reduce further the discretion left to the Administration on the matter of human rights. During the second session of the 95th Congress, Congress tried to include human rights and human needs provisions in legislation concerning international monetary and commercial relations. However, in contrast to the first session of the 95th Congress, the second session seemed a calendar of almost unremitting failure with regard to human rights legislation.

One of the most serious attempts to increase Congressional oversight involved legislation to authorize US participation in the Supplementary Financing Facility of the IMF (the Witteveen Facility). In February 1978, the House approved US participation in the Witteveen Facility and accepted by voice vote a Harkin amendment attaching human rights conditions to the new lending facility. The amendment required the US Executive Director to the Fund to ensure that fiscal and monetary constraints attached to IMF loans would not contribute to 'the deprivation of basic human needs or to the violation of human rights such as torture, cruel or inhumane treatment and degrading punishment.' The banking and business communities as well as the Treasury Department lobbied against this human rights provision for the IMF.[8] When the provision came before the Senate for a vote as the Hatfield/Abourezk Amendment, it failed by a lopsided 62 to 27.

A similar attempt was made by Representative Harkin to attach his basic amendment to the Bill authorizing additional federal funding of the Export-Import Bank. The House resoundingly defeated this measure by 285 to 100 in July 1978. Other attempts to extend Congressional control in human rights matters were also unsuccessful. Legislation involving the renewal of funding for the Overseas Private Investment Corporation was passed without human rights riders by both the House and Senate. Two separate amendments by Representative Fortney Stark were de-

[8] 'Gutting the IMF', *The Wall Street Journal*, 1 March 1978. For a critical account of the lending policies of the IMF, see Jim Morrell, 'Behind the scenes at the IMF', *The Nation*, 16 September 1978.

feated. One moved to bar the sale of weapons and equipment to Iran that could be used by the police, and the other sought to halt the delivery of arms aid 'in the pipeline' to Chile. An attempt to reduce US military assistance to the Philippines by a token amount in protest against human rights violations was also unsuccessful. Representative Parren Mitchell and Senator George McGovern co-sponsored the unsuccessful Transfer Amendment which proposed shifting limited funds in the federal budget from military programmes to housing, nutrition and health care programmes. Despite a campaign pledge to cut Pentagon spending, the American military budget has increased significantly during the Carter Administration. Congressmen Donald Fraser and Dante Fascell's Bill to establish a Human Rights Institute failed to muster enough support and was also defeated.

Conservatives who sought to impose specific country restrictions on US aid legislation did not fare any better than the liberals in Congress. The Young Amendment was resurrected and barely defeated. The Helms Amendment which would have immediately lifted sanctions against Rhodesia was voted down. An amendment to the Foreign Assistance Appropriations Bill that would have cut US grants to India because New Delhi had assisted the Socialist Republic of Vietnam was defeated.

On the positive side, certain non-partisan Bills whose objectives were the genuine promotion of human rights did manage to pass both Houses. An amendment that imposes a flat ban on any aid to police forces in countries which the State Department finds to be consistent violators of human rights was attached to the Foreign Assistance Authorization Bill.[9] A Bill to bar exports to Uganda was passed and the House voted to prohibit the Export-Import Bank from supporting private business transactions with South African purchasers unless the Secretary of State certifies that the purchaser has endorsed and proceeded to implement principles of non-segregation and equal employment.

For the most part, however, Congress seemed to be beating a retreat on human rights issues during the second session. Several reasons can be advanced to explain this development. Despite the initial popularity of Carter's human rights policy, the American public has become less enthusiastic about the issue and more concerned with the pressing domestic problems of inflation and unemployment. In the present economic climate, it seems that Americans are not willing to pay a heavy price for international promotion of human rights, either in increased taxes for foreign aid or in lost sales abroad or unemployment at home for the sake of sanctions against repressive regimes.[10] Thus, it was not surprising that

[9] Until the amendment, regulations with respect to the sale of crime control and detection instruments such as leg irons, shackles, shotguns, shock batons, straitjackets, psychological stress analysis equipment, dart guns and even thumb screws had been subject to very lax oversight.

[10] Sandra Vogelgesang, 'What price principle? US policy on human rights', *Foreign Affairs*, July 1978.

most Congressmen took note of this shift in the national mood and were less assertive on human rights issues during the mid-term election year of 1978. Furthermore, several of the leading human rights advocates in Congress were preoccupied with their re-election prospects. For example, Congressman Fraser expended considerable energy on seeking nomination for the Senate seat of the late Hubert Humphrey of Minnesota, a bid he eventually lost by a small margin. And Senator Richard Clark of Iowa, head of the Senate Foreign Relations Subcommittee on Africa and a liberal Democrat, was defeated by a conservative Republican. Also during 1978, the human rights community of non-governmental organizations (NGOs) in Washington was less effective in its lobbying than it had been during the previous year. This community is a diffuse body of regional and issue-oriented groups with limited resources. During 1978, the human rights lobby found itself divided on a number of key legislative issues and without NGO mobilization it proved impossible to muster sufficient support for the various human rights riders.[11]

Carter's dramatic initiatives on behalf of human rights during the early activist phase of the Administration partially restored Congressional faith in the seriousness of the President's intent. In contrast to the Kissinger era when Congressmen were given the cold shoulder, Carter's senior officials deliberately consulted with Capitol Hill advocates of human rights in an attempt to persuade them to defer to Executive leadership and to establish credibility in the human rights area. Key leaders such as Congressmen Donald Fraser and Dante Fascell were reassured and adopted the view that Congress should focus primarily on setting legislative standards for the granting of military and economic aid while leaving the implementation of these standards to the Executive. It was their belief that to make good policy Congress must co-operate with the President and not mandate rigid human rights legislation or politicize the multilateral funding agencies since such approaches might prove too blunt a tool and counterproductive. This view was shared by development-oriented NGOs such as the Overseas Development Council which was concerned that the extension of the Harkin type of legislation to all IFIs would undercut the potential effectiveness of multilateral institutions and undermine the long-term process of economic development. Thus, for Fraser and others, the appropriate Congressional stance during 1978 was to adopt a vigilant 'wait and see' position and to give the Administration the benefit of the doubt.

Outside Congress, there continues to be hostility towards US human rights policy. Within the State Department, many area and regional desk officers still resist the view of the Bureau of Human Rights that human rights considerations are legitimate components of the policy-making process. Human rights interest groups and human rights activists within

[11] See Harry Scoble and Laurie Wiseberg, 'The human rights lobby in Washington', *Human Rights Internet* (Washington, D.C.), September 1978.

the Administration combined forces to oust the Assistant Secretary of State for Inter-American Affairs, Terence Todman, whom they considered a major defaulter on human rights policy. However, it is not at all clear that the message has come through to the rest of the department that human rights are to be promoted aggressively and that the careers of foreign service officers (FSOs) are to be significantly affected by their diplomatic efforts on behalf of human rights. Individual careers of FSOs are still linked to the maintenance of agreeable relations with foreign regimes no matter what their political complexion or human rights records.[11]

Other departments such as Treasury, Commerce and the Pentagon are naturally even more antagonistic to human rights initiatives. The Treasury Secretary, Michael Blumenthal, and the Treasury Assistant Secretary, C. Fred Bergsten, have opposed all efforts by Congress to add further human rights sections to legislation authorizing US participation in IFIs.[12] The Commerce Department has also loudly protested against the use of trade and aid as a political instrument. It fought against the Harkin Amendment to the Export-Import Bank authorization Bill and the more specific amendment which restricted Eximbank participation in financing the investments of multinational corporations in South Africa. Defence Department attachés and CIA personnel in US embassies abroad still prefer to work closely with their counterparts in countries with repressive regimes. Institutionalization of the human rights policy has proceeded slowly. Competing bureaucratic interests seem to have prevented the policy from being carefully planned, centrally co-ordinated and skilfully executed; thus it appears to lack coherence and focus.

Conflicting priorities

The true depth of US commitment to human rights will be measured by how forcefully human rights objectives are pursued when advocates of that commitment are confronted with conflicting national priorities. It is by no means clear that human rights concerns can retain their prominent position on the American policy-makers' agenda in conditions entailing conflict with strategic, military or economic goals. For example, during the past two years, the Carter Administration has generally not linked levels of military aid to human rights with respect to those coun-

[11] See Laurie Wiseberg and Harry Scoble, 'Monitoring human rights violations: the role of NGO's', in Kommers and Loescher (eds.), *American Foreign Policy and Human Rights* (Notre Dame/London: Notre Dame University Press, 1979).

[12] The relevant testimony of both officials can be found in the *Congressional Record*, 23 February 1978, p. H1406 and US Congress, House of Representatives Committee on Appropriations, Subcommittee on Foreign Operations, *Foreign Assistance and Related Agencies, Appropriations for 1978, Part 1*. 95th Congress, 1st Session, 1977, pp. 206, 513–14.

tries considered important to American national interests, such as Iran, South Korea and the Philippines.

The next test of the Administration's human rights mettle will be over the question of human rights and world trade and economic policies. Administration officials, such as the Commerce Secretary, Juanita Kreps, are alarmed over the loss of American export business through human rights vetoes and environmental considerations.[14] It was reported that the US has lost as much as $10 billion annually in sales and aid because of human rights policy and other reasons.[15] This development is much regretted by many Treasury, Commerce and State officials who fiercely defend free trade and expanded foreign aid with no political restrictions. Administration officials argue that sanctions against human rights violators are double-edged and may impose significant costs on the US as well as on the target nation, particularly if the previous economic relations between the two have been substantial. They also raise questions as to the likely effectiveness of trade and aid sanctions in forcing reforms in the field of human rights, particularly where other states refuse to support the sanctions and are only too eager to fill the trade and aid gap. Thus, scepticism about the cost-effectiveness of sanctions has led many in the Carter Administration to argue for a more selective human rights policy with fewer cut-offs of aid or sales abroad.

In recent months, it seems President Carter himself has been predisposed to avoid mixing politics and economics. In an effort to boost US exports, reduce the US trade deficit and strengthen the dollar abroad, Carter has ordered Administration officials to pay close attention to the nation's overall trade problem in cases where sales might be delayed or vetoed for human rights reasons. The State Department reversed an earlier decision to deny the extension of credits from Eximbank for the $270 m. sale of hydroelectric turbines to Argentina on human rights grounds. It also approved a $144 m. deal by Dresser Industries to sell the Soviet Union a modern plant for making sophisticated bits for oil well drills, and Administration officials are campaigning for the repeal of the Jackson-Vanik and Stevenson Amendments which prohibit official credits or guarantees to any Communist country that 'denies to its citizens the right or opportunity to emigrate'.[16] Thus, it is likely that, with growing concern over the trade deficit and declining US economic competitiveness in world markets, leverage will be applied more in the form of a carrot rather than a stick in the future.

[14] R. Evans and R. Novak, 'Human rights zeal that costs US jobs', *Washington Post*, 18 September 1978.

[15] 'More selective use of human rights sanctions is foreseen', *International Herald Tribune*, November 1978 and 'Trying to right the balance', *Time*, 9 October 1978.

[16] See Samuel Huntington, 'Trade, technology, and leverage: economic diplomacy', *Foreign Policy*, Fall 1978.

A more selective approach

Administration officials stress, however, that US human rights policy is not to be simply scuttled, but is to be applied more selectively and subtly. After all, there is a sense in which the policy has genuine claims to success. Many believe that the foreign policy shaped by Henry Kissinger was not sensitive enough to humanitarian concerns in world politics and that some adjustment of approach was necessary. If public support for foreign policy was to be developed, a greater emphasis on idealism and openness was required. Most Americans feel that the recent stress on human rights accords more closely with their national traditions as expressed in the US Constitution and the Bill of Rights. The positive appeal of human rights has thus partially helped restore domestic consensus about the general direction of American foreign policy. Carter's policy has also helped the West reassert its belief in its own values and institutions, thus enabling it to strike back at critics in the Third World and Communist countries. And, as we have seen, US human rights policy has enabled Washington to distance itself from some politically unsavoury regimes (particularly those states it does not consider strategically important). The Administration has staked much of its political reputation on the promotion of human rights and President Carter continues to reaffirm his commitment to human rights, calling them the 'soul of American foreign policy'.[17]

In the eyes of most Congressmen, the Carter human rights policy, despite its inconsistencies, is a vast improvement over the policy of the former Secretary of State, Dr Kissinger, who was not disposed to obey either the letter or spirit of human rights legislation. Thus, at the end of the 95th Congress, there was a growing sense on Capitol Hill that the proper role of legislators is not to initiate a new host of statutory human rights provisions but rather to legitimize and monitor executive leadership. In so far as human rights are concerned, it seems that Congress has entered a more co-operative phase of relations with the President.

One issue that Congress is focusing on early in the first session of the 96th Congress is the effect America's new China policy will have on the future security of Taiwan. Deng Xiaoping (Teng Hsiao-ping)'s offer to negotiate a reunification of the two Chinas that would preserve an autonomous status for Taiwan and allow the Taiwanese to retain armed forces has fended off most criticism from potentially hostile legislators. Thus, despite concern expressed about Peking's 'peaceful intentions' by the Chinese invasion of Vietnam, it was expected that Congress would settle for a resolution expressing US concern for the future security of Taiwan. A related and more difficult human rights issue concerns the question of granting most-favoured-nation status (MFN) to Peking and Moscow.

[17] 'Excerpts from President Carter's speech on anniversary of Human Rights Declaration', *New York Times*, 7 December 1978.

The Soviet Union feels that it has been unduly singled out for human rights criticism by a hostile American Congress. It is true, for example, that although the state of human rights in China apparently was not discussed in the Sino-American normalization talks, human rights do figure prominently in Soviet-American bilateral relations, even though by Western standards the human rights record of the Soviet Union might be marginally better than that of China.[18] The Russians complain that, despite the sharp rise in Soviet Jewish emigration in 1978, most Congressmen seem more disposed to grant favourable tariff and credit concessions to Peking than to Moscow. In a meeting with the Commerce Secretary, the Treasury Secretary and 350 American businessmen in Moscow in November 1978, the Soviet party leader, Mr Leonid Brezhnev, the Premier, Alexei Kosygin, and the Soviet Trade Ministry insisted that it was vital for Congress to repeal the Jackson Amendment to the 1974 Trade Reform Act and end all discriminatory restrictions on trade. China, for its part, is anxious to receive MFN status in order to give impetus to its modernization drive. Keenly aware of the fact that the American Congress holds the power of the purse, Peking recently liberalized its emigration restrictions so as to bring Chinese practice more in line with the stipulations of the Jackson Amendment.[19] However, in the interest of even-handedness, the Carter Administration has stated that it would like to see Peking and Moscow treated equally regarding MFN status and would prefer to delay the discussion of the issue until after ratification of a SALT-2 agreement. Nevertheless, given the current anti-Soviet feeling on Capitol Hill, Congress might move ahead of the Executive on this issue in a way that would work to the advantage of China and to the detriment of the Soviet Union.

For most human rights violations, however, Congressionally-initiated aid sanctions at the bilaterial and multilateral levels will be limited to situations in which the Congress believes the Executive has not faithfully carried out the legislative mandate. This does not mean that human rights legislation is winding down completely or that human rights will not occupy a central billing on the agenda of the current 96th Congress. The large body of human rights legislation already in existence guarantees continued Congressional scrutiny of violations of human rights.

[18] For a report on political imprisonment in China, see *Political Imprisonment in the People's Republic of China* (London: Amnesty International Publications, 1978).

[19] Jay Matthews, 'China slashing emigration-to-US rules', *International Herald Tribune*, 25 January 1979.

The move to rehabilitate Bukharin

LEONARD SCHAPIRO

There is an obvious parallel between Bukharin's kind of socialism and the professed aims of the 'Eurocommunists'. His rehabilitation would therefore have deep political implications not only for Soviet dissidents but also for Moscow's relations with other Communist parties.

BUKHARIN's son, Yuri Larin, was two years old when his father was judicially murdered in 1938, but it was not until 1956 (according to Solzhenitsyn) that he learned about his paternity and his real surname. Since 1961 at least, Yuri and his mother Larina have made repeated efforts to persuade the Soviet authorities to rehabilitate Bukharin. All these efforts were ignored until 9 June 1971 when G. S. Klimov, Chief Secretary of the Party Control Committee of the Soviet Communist Party (CPSU), informed Yuri Larin on the telephone (as recorded in an underground *samizdat* publication) that his 'request that Bukharin be reinstated in the Party and as a full member of the Academy of Sciences of the USSR cannot be satisfied, since the criminal charges on the basis of which he was sentenced have not been withdrawn'. This was a baffling decision, even by Soviet standards. In the first place, several of Bukharin's co-defendants (including N. N. Krestinsky and M. Khodzhaev) have already been rehabilitated. And secondly, a number of official articles which mention Bukharin (the latest being the article on Right-wing deviation in the Soviet Communist Party published in 1975 in volume 20 of the Third Edition of the Great Soviet Encyclopaedia) suggest that there was an unofficial decision to rehabilitate him, since the criminal charges (espionage for Germany, sabotage, participating in the alleged murders of S. M. Kirov, V. R. Menzhinsky, V. V. Kuibyshev and Maxim Gorki, and plotting to kill Lenin) are not mentioned, but only the accusations of political deviation. There has, however, been no article devoted to Bukharin in the Encyclopaedia.

Frustrated in the USSR, Yuri Larin appealed to West European

Mr Schapiro is Professor Emeritus of Political Science (with special reference to Russian Studies) at the London School of Economics and Political Science, and the author of, amongst other works, *The Origin of the Communist Autocracy: Political Opposition in the Soviet State* (London: G. Bell for LSE, 1955; 2nd edn, 1976), *The Communist Party of the Soviet Union* (London: Eyre and Spottiswode, 1960; 2nd edn, 1970) and *Totalitarianism* (London: Pall Mall Press, 1972). This article is based on a lecture recently given at Chatham House.

Communist opinion in the form of an open letter of 22 June 1978 to the Italian Communist leader, Enrico Berlinguer. The letter was published in *La Repubblica* and in other Socialist papers, and reprinted in the *New York Times* on 7 July. It provoked a fairly wide response in several countries, among Communist and other intellectuals. Larin's plea was not, so far as is known, answered by Berlinguer, but other leading members of the Italian Communist Party (PCI) did support it—for example, the historian of the PCI, Paolo Spriano, who added that 'it is necessary to rehabilitate all the victims of Stalin, including Trotsky'. Berlinguer's silence is easy to explain, in view of the extreme caution and moderation which he pursues in his criticism of the Soviet Union, particularly in comparison with other members of his party. He is no doubt also aware of the important part that Palmiro Togliatti played in bringing about Bukharin's downfall. In France, too, support came from a number of leading members of the Communist Party (PCF), though not from its Secretary-General, Georges Marchais. The reason for this may be the fact (if fact it be) made public by the Soviet émigré scientist Zhores Medvedev, on the basis of information emanating from Khrushchev's family circle, that in 1968 the then leader of the PCF, Maurice Thorez, persuaded Khrushchev not to rehabilitate Bukharin for fear of the adverse effects on Western Communist parties. Recently, a symposium entitled *L'URSS et Nous*, sponsored by the PCF, which is very critical of the Soviet Union, urged the view that Marx and Lenin were not infallible, and that the time had perhaps come to reassess the ideas of Trotsky and Bukharin. In England, which is the centre of the rehabilitation campaign, in the sense that it is co-ordinated by the Bertrand Russell Foundation, the cause of Bukharin has been warmly supported by the organ of the British Communist Party, *Morning Star*. But some readers wrote indignantly to protest at the iniquity of rehabilitating one who had actually dared to criticize the great Lenin—unaware, apparently, that for the last 15 years of his life Bukharin devoted himself to the attempt to put into effect Lenin's last thoughts on the future of Soviet Russia.

Bukharin's political faith

In *samizdat*, and other unofficial centres of opinion in the Soviet Union, Nikolai Ivanovich Bukharin enjoys a reputation for moderation and humanity—it would, indeed, be strange if the main opponent of Stalin's policy of collectivization did not survive in folk memory as well as in historical judgment in a favourable light. The *Political Diary*, the *samizdat* periodical edited by Roy Medvedev, has published a number of memoirs which show Bukharin in a more positive light than most other Soviet Communists. Roy Medvedev is, indeed, the author of a work on the last years of Bukharin (as yet unpublished), which speaks of him in terms of high praise. Nadezhda Mandelstam, among others,

bears witness to the kind and sympathetic behaviour of Bukharin towards authors faced with difficulties with the authorities. Alexander Solzhenitsyn (in *The Gulag Archipelago*) is, in my view most unfairly, critical of Bukharin for his 'repentance' at his trial. Meticulous analysis of Bukharin's stance at his trial shows that what Bukharin confessed to was 'objective' guilt, in the Communist sense of this word—i.e. not to having, in the normal sense, committed any of the acts of which he was accused, but of having by his erroneous political views in effect made the crimes inevitable.[1] There is every reason to believe the view current at the time that this was the minimal concession which he was forced to make to Stalin as the price of saving the life of his infant son. The subsequent legend, inspired by Arthur Koestler's novel *Darkness at Noon*, that Bukharin confessed in order to do a last service to the party is very improbable: Bukharin remained a convinced Bolshevik to the end, but there is ample evidence that he regarded Stalin's policies as disastrous and as bearing no relationship to Lenin's Bolshevism. It is also known to me, from conversations with Communists who subsequently left the party, that Bukharin's argument about the state withering with the progress of socialism had the effect of turning them away from Stalin who argued, on the contrary, that the state, far from withering away, would have to become progressively stronger so long as capitalist encirclement survived.

Bukharin's political outlook went through a number of phases. In the early stages of Soviet rule, as the leader of the short-lived opposition movement known as 'Left Communism', he came into conflict with Lenin. The Left Communists essentially saw themselves as the guardians of the pure stream of Marxism against what they judged to be Lenin's excessive pragmatism and sacrifice of principle to expediency. They strongly opposed the peace of Brest-Litovsk, for example (in which Lenin 'traded space for time'), believing that it was the duty of the new Russia to lead a 'revolutionary war' which would spread to all the industrial countries; even if Russia went under, the 'revolutionary war' would lead to the ultimate triumph of world revolution. The group also demanded radical socialist measures such as extensive nationalization and workers' control of industry, and opposed all bargains with Russian or foreign capitalists.

Bukharin's excursion into left-wing Marxism was short-lived, and before long he became a loyal supporter of Lenin's policies in general, though always retaining his own idiosyncratic views on certain issues. He certainly had grave doubts about the wisdom of the New Economic Policy—as, indeed, did many party members inclined to be 'left-wing'

[1] See George Katkov, *The Trial of Bukharin* (London: Batsford, 1969), especially pp. 181–92. Solzhenitsyn does give Bukharin credit for opposing forced collectivization.

in outlook, or more accurately, dogmatic rather than pragmatic like Lenin. But he became completely converted by Lenin during his frequent conversations with him during his last lucid months, at the end of 1922 and in early 1923. We know this from the late B. I. Nicolaevsky who recorded a long and frank conversation with Bukharin in Paris in 1936, when Bukharin was allowed abroad ostensibly for the purpose of acquiring Marxist materials for Soviet archives, but actually, no doubt, in the hope that he would compromise himself and provide material for a future show trial. Nicolaevsky did not publish his record until long after Bukharin was dead, but presumably NKVD agents ferreted out, or invented, what they needed. The conversation recorded by Nicolaevsky is one of the most illuminating documents we possess on modern Soviet politics.[2] It reveals the extent to which Bukharin was influenced by Lenin's thoughts on the future of Russia and in particular on future relations with the peasants—ideas which are developed by Lenin in his last writings, like 'On Co-operation', but which Bukharin claimed had been much elaborated verbally. The main point in Lenin's thought which inspired Bukharin was that 'it is possible to aim at socialism without applying more force against the peasantry', but by inducing them to embrace co-operation by the example of superiority which the co-operative system would offer. It was under the inspiration of this idea that Bukharin fought all-out against the 'left' opposition of Trotsky and his allies, and supported Stalin in the belief (which Stalin fostered) that the General Secretary was a staunch advocate of the New Economic Policy (NEP).

Stalin's complete reversal of NEP and the all-out war against the peasants that followed were for Bukharin a complete betrayal of that 'humanism' which he stressed to Nicolaevsky was the essence of socialism. The rise of Hitler was a further factor which seemed to Bukharin to be a warning of the way things were going in the Soviet Union. After his political eclipse in 1929, Bukharin re-emerged in 1934 as editor of *Izvestia* and as a leader of cultural life—it is difficult to say what sinister purpose Stalin had in mind in permitting this. Possibly his aim was not unlike that of Mao Tse-tung in encouraging the Hundred Flowers Campaign—to encourage liberal-minded intellectuals to expose their views, the better to strike them down thereafter. There is no doubt, however, that Bukharin, though he suspected that Stalin would eventually destroy him, was naïve enough—or enough of a Marxist—to believe that he could play a part in bringing about the 'humanism' which was increasingly absent from what purported to be the socialism of the USSR. For the few years that remained to him until his arrest in 1937 he worked against impossible odds to promote what we now call 'socialism with a human

[2] See 'An Interview with Boris Nicolaevsky' in *Power and the Soviet Elite*, edited by Janet Zagoria (London: Pall Mall Press, 1966), pp. 3–25.

face', a Communist party dictatorship, in which he, so far as we know, unswervingly believed, but which would nevertheless be humane and, within limits, tolerant.

Bukharin's re-appearance in public life began at the 17th Party Congress in January 1934, when he delivered an attack on the rising tide of Nazism. Some months later, at the inaugural Congress of Soviet Writers, he spoke at length against 'compulsory directives' which could only lead to the 'bureaucratization of creative processes', and argued that a socialist civilization required diversity and variety and a 'wide freedom of competition in creative questioning'. During the next few years he built up a following of young scholars within the Communist Academy who produced works (now extremely rare) which, within the framework of Marxist studies of such subjects as Jacobinism or the infamous Nechaev, could be interpreted as Aesopian criticism of Russia under Stalin. These young Bukharinists were all eventually murdered. Bukharin himself was a master of the Aesopian style. In the last article to appear in *Izvestia* under his editorship, 'The Routes of History', he produced an indictment of the Nazi system in which an attack on what was happening in contemporary Soviet Russia was only too easy to discern. It is also probable that Bukharin was involved in the summer of 1936 in discussions, under the chairmanship of the legal philosopher E. I. Pashukanis (who was subsequently shot early in 1937), on the fundamental principles of law which according to the proposed new Constitution, then in draft, it was the duty of the federal Government to prepare. The principles proclaimed by Pashukanis's conference were reputedly humane and moderate, and, for example, proposed the abolition of the death penalty.

But Bukharin's main contribution to 'socialism with a human face', as he believed, was undoubtedly the 1936 'Stalin' Constitution. He was appointed a member of the Constitutional Commission, along with several other oppositionists, like Radek, who were subsequently to figure in the show trials. Again, Stalin's motives can only be conjectured. In his talk with Nicolaevsky, Bukharin gave the impression that the Constitution was the result of years of discussion with persons like Gorky, and that he, Bukharin, as Secretary of the Commission, had drafted it 'from first word to last' with his fountain pen. According to what Bukharin told Nicolaevsky, he was 'very proud' of the Constitution. 'Not only did it introduce universal and equal suffrage, it also established the equality of all citizens before the law. In general, it was a well thought out framework for the peaceful transition of the country from the dictatorship of one party to a genuine people's democracy.' But was it? Experience has certainly shown that neither Stalin nor any of his successors has had any difficulty whatever in ignoring or circumventing the Constitution. There is, it is true, nothing in the Constitution to prevent elections in which candidates compete. Equally, given the dominance of the Communist

party over elections as over all Soviet life, there is no means of ensuring that candidates have the right to compete. This could only have been ensured by leaving the issue to be judged by independent courts. But, putting aside the difficulty of setting up independent courts in a system which officially treats the courts as instruments of power (Lenin propounded this idea which he derived from Marx), the 1936 Constitution *nowhere* leaves the question of interpretation of the Constitution to the courts, even the corrupt Soviet courts. Nor have the courts ever accepted jurisdiction on Constitutional issues. Again, the basic civil rights conferred by the Constitution, in which Bukharin placed so much confidence, are expressly conferred 'with the aim of strengthening the socialist system'. Who decides whether, say, the exercise of free speech by a member of the Human Rights movement is 'strengthening the socialist system'? Again, not the courts, but the Communist Party. In the absence of judicial review by truly impartial courts, the 1936 Constitution (like that of 1977) is not worth the paper on which it is printed.

Parallel with 'Eurocommunism'

The question of the rehabilitation of Bukharin is not simply a question of putting right a grave injustice to an individual—it has deep political implications, both outside and inside the USSR, of which the Soviet leaders may be presumed to be aware. One of the main arguments of the so-called 'Eurocommunist' parties is that the intolerance, oppressiveness and illegality of the Soviet regime are peculiar to Russia, and are not a necessary concomitant of a Marxist regime. The French, Italian, Spanish and British Communist parties claim, in different degrees and in varying ways, that a government formed by one of them would be democratic and would be consistent with pluralism of political parties, with freedom of expression and with the safeguarding of civil rights. It is a difficult case to make, especially in the light of the authoritarian regime that is still maintained inside the parties, and the unwavering support of Soviet foreign policy which they all profess. The Eurocommunist advocacy of 'liberalized' Communism as a practical proposition also holds out attraction for some, at any rate, of the countries of the Soviet bloc—the Czechoslovak Spring of 1968 and the 'Charter 77' movement are in essence based on the same idea. In the Soviet Union as well, the Human Rights movement has the aim of influencing the Government in the direction of observing the civil rights ostensibly protected in the Soviet Constitution.

From the Soviet point of view, all these ideas are anathema, since they are believed to endanger the hold of the Communist party—the invasion of Czechoslovakia was eloquent witness of this fear, as were also the subsequent Soviet polemics with the Eurocommunists. Innumerable authoritative articles in the journals of the CPSU have argued that there is no way for a Communist party to remain in power except that pursued

by Lenin—who was resolutely opposed (while in power) to pluralism of either political parties or ideas. Hence the Soviet Union views with especial alarm the contacts which have developed between the Eurocommunists and the countries of the Soviet bloc, and the open support which these parties have given to dissenters within the Soviet Union.

The parallel between Bukharin's ideas and the avowed aims of the Eurocommunists is apparent—whether in fact they realize it or not. For, like the Eurocommunists, Bukharin never criticized the Soviet system from the outside, as it were from the position of one who is prepared to discard Marxism as unworkable, or inimical to 'humanism'. He criticized (in so far as he was able to criticize) from the point of view of one who accepts the validity of Marxism without question, and attributes whatever he disapproves of in its practical applications to perversion or misapplication of the true doctrine. If Bukharin can be associated with the view that a Communist-controlled regime is compatible with civil rights, and was unjustly condemned and killed for holding this opinion, then to rehabilitate him would strengthen the case of the Eurocommunists, and provide the dissenting voices both in the Warsaw Pact countries and within the Soviet Union with a strong argument.

No fair-minded person could doubt for a moment the urgent need for Bukharin's rehabilitation. There was not a jot of evidence in support of the preposterous charges made against him—his was the clearest case of judicial murder. He was condemned for his opinions, a victim of Stalin's malevolent megalomania. The Eurocommunists, who have not as yet pressed too hard for the rehabilitation, should redouble their efforts: whether they know it or not, Bukharin's case is their case. I have given reasons for the view that it was a naïve and not very convincing case from the outset. Moreover, it seems probable that even the fact that he was to some extent allowed by Stalin to make it was not more than part of the ploy to destroy him and his associates. But his case was no weaker and no stronger than is that of the Eurocommunists who at one and the same time accept the hegemony of the Communist party, and the compatibility with it of true civil rights; and who, like Bukharin, have so far shown little realization that in order to safeguard real civil freedom it is essential to ensure that the courts are truly independent of control by the 'people's democracy' which they advocate.

The political challenge to the Western press: another 'New Order'?

ROSEMARY RIGHTER

Third World countries are demanding better and fuller coverage of their affairs in the international press—if needs be by inter-governmental action. They also believe that news and information should be an integral part of development strategy.

THE concept of a free press survives with difficulty even in the Western countries which developed it, and which still broadly accept it as essential to a properly functioning democracy. Commissions probe defects in its structure and performance, governments call for more 'responsible' reporting, publics worry about its power—assumed and real—to influence behaviour and attitudes. Laws of contempt and libel, and national security considerations, hedge in the press more rigorously than is widely supposed: the British press, for example, could not have uncovered the Watergate scandal. Yet the concept is tenaciously defended by Westerners as a keystone of individual rights and a universally applicable ideal. Enshrined in the Universal Declaration of Human Rights, the 'free flow of information' within and between countries has been formally supported by the vast majority of governments, including those which in practice have steadily obstructed it.

However, this familiar assumption of a shared value no longer holds: the relationship between press and state, the content of news and the role of the media are coming under sustained and hostile scrutiny from Third World governments. They attack the international press as an agent of 'cultural imperialism' which threatens their independence and national identities; they are demanding direct access to the international flow of news for their own media; and they are seeking to redefine news-values at home, to make the press serve national policy requirements more effectively. Information has become one of the most controversial issues on the international agenda.

Mrs Righter, Development Correspondent of *The Sunday Times*, covered the Unesco Conference last November; author of *Whose News? Politics, the Press and the Third World* (London: Burnett/André Deutsch, 1978). This article, which appears simultaneously in German in *Europa-Archiv* (Bonn), is based on a recent lecture at Chatham House.

Demands for a new dispensation

At Unesco, the United Nations and within the Third World's own political forums, governments are demanding the acceptance of a 'new world information order' which implies not only correcting imbalances in the international flow of news but also inter-governmental action to regulate the activities of the international press. The outcome of this debate over the flow of information will affect far more than the fortunes of the British Broadcasting Corporation or the Associated Press. At stake is the picture we shall be able to form of the world—what can be learnt about countries where the press is likely to be converted into a tool of the state and promoter of the government's aims. Beyond that, and equally important, the whole pattern of national development in the Third World will be affected by the degree to which government actions are subject to public scrutiny and debate.

The attack on the existing structure of the news flow centres on the Western press, for the obvious reason that it dominates the news flow. The four biggest news agencies—Reuters, Associated Press (AP), United Press International (UPI) and Agence France Presse (AFP)—provide around 80 per cent of the international news circulated round the world. This is where resentments begin: with what is seen as a relentless one-way flow of news from North to South and, with the news, of attitudes and life-styles. The international media are under attack on three main counts. They penetrate too widely and effectively. They fail to provide a truly international service, because they select news in terms of Western attitudes and interests; coverage is heavily biased towards the industrialized countries, with the result that Third World newsrooms are flooded with irrelevant information. Finally, they are alleged to lack the objectivity and accuracy on which they base their claim to respect: much reporting from the Third World is ill-informed, biased and sensationalized, and even the best reporting imposes 'alien perspectives' on Third World affairs. News selection also tends to mean that countries or whole geographical areas drop out of the world picture for months at a time.

Governments in the Third World are therefore arguing that Western dominance of the news flow inhibits national development, misleads Western societies and Third World neighbours alike as to the 'realities' of developing countries, and so perpetuates an inegalitarian world system. Many people in the Third World—not only governments—are calling for better and fuller coverage of their affairs by the international press, and for the means to put across their own version of events. These are fair demands, however buttressed they may be by conspiracy theories about the Western will to dominate, and however ready the critics are to jump from the fact that the Western media provide most of the international news to the notion that they deliberately use their pre-eminence to further Western interests. Certainly the fiercest critics are govern-

ments, some of which are using the language of cultural emancipation to increase state control and silence criticism. But the demand for radical change unites governments of strikingly different persuasions; and the accusations take their force from an element of truth.

Western model criticized

If the call for a 'new world information order' were simply an application for full membership of what is perceived as a rich man's club, there would still be formidable financial and technical obstacles to its implementation, but no one could quarrel with the goals. Nobody likes having their portrait always painted by aliens, however faithful the picture. The problem is that those who attack the Western press are not just attacking its power: they claim that the Western model is itself undesirable. Radical change of the rules is what they seek: at home, policy makers are reforming the media, to make them a more effective tool which governments can use for the task of nation-building. Domestic controls must then be complemented by international frameworks to make the international media more 'socially responsible'.

The communications issue has become one of the pillars of the demand for a new and more equitable international order. Freedom—whether of the individual, of trade, of cultural exchanges or of the flow of information—is rejected by an increasing number of governments as a fraud. The concept, they argue, has simply enabled the rich and powerful to impose their views and their market economies on the rest of the world, subjecting their economic and cultural development to the requirements of a privileged Western minority. The New International Economic Order may be a fiction, and the 'new world information order' an even more tenuous fiction, but behind both there are powerful pressures. And the evolution of the communications debate will be linked with the perilously slow evolution of North-South bargaining on other fronts.

Those who attack the Western model of information claim that they seek to liberate the media—to make them free of the domination exercised by the powerful few, free of 'alien' values, free, as one politician from the Third World puts it, 'to defend the interests of society as a whole, and the rights of entire peoples',[1] free of the sensationalism of the market press, and thus free to be used as the linchpin of a new, independent, social order. What this implies is a collectivization of human rights, focused on the press because the press is perceived increasingly as a tool for social

[1] Speech by Mustapha Masmoudi, Chairman of the Inter-governmental Council for Co-ordination of Information between the Non-Aligned Countries, to the First Conference of Broadcasting Organizations of the Non-Aligned Countries, Sarajevo, October 1977. Masmoudi, then Tunisia's Secretary of State for Information, now Tunisia's Ambassador to Unesco, is one of the key Third World political spokesmen on information. He is a member of the MacBride Commission.

control. The New World Information Order[2] implies a theory of communications in which news becomes part and parcel of development strategy, identity is national rather than individual, and rights are the rights of societies.

The arguments are quite logical, if you accept the premises. Because it will require a major national propaganda effort to forge a genuinely independent society, the press must consciously adopt an educative role, explaining national policy to the country. In Masmoudi's view, 'the government is the main guarantor of stability and security; and it is also the main catalyst of development. . . If one accepts that role, it must be given the fullest opportunity to muster community support through the media.'

Although some argue straightforwardly that state control of the media is necessary, if, to quote the head of Agence Zaire Presse, there are to be 'nationalist information media which are capable of correctly directing and forming public opinion',[3] others say that there is a middle way between state control and the evils of a commercial press. News must be seen as a 'social good',[4] used as a national resource. 'Appropriate' values and patterns of consumption must be fostered through a responsible press; and where the requirements of cultural sovereignty and the free flow of information clash, priority must be given to the protection of the people.

The 'new order', on either view, runs the risk of becoming a set of principles for ensuring that the public of the Third World learns only what a small governing elite decides is good for it. An inevitable corollary is the control of the flow of information across frontiers; and the prospect is that the much attacked monopoly of the international media could give way to a monopoly, country by country, exercised by even smaller and less neutral groups.

Unesco's involvement

This set of views has translated into politics through two main forums: Unesco, and the non-aligned movement. Unesco initiated the debate,

[2] See 'The New World Order for Information', a pamphlet published by the Tunisian Secretariat of State for Information, February 1977. A more radical exposition of the non-aligned view is set out in the paper submitted by Masmoudi to the MacBride Commission in 1978 (available from the Secretariat to the International Commission for the Study of Communication Problems, Unesco, Paris).

[3] From the report of a commission set up during the non-aligned conference on information, held in March 1976, to prepare the ground for the fifth non-aligned summit conference in Colombo. The commission was chaired by the Director-General of Agence Zaire Presse, Elebe Ma-Ekonzo, who is also a member of the MacBride Commission.

[4] See the paper by Juan Sonavia, Director of the Latin American Institute for Transnational Studies (ILET) and another member of the MacBride Commission, entitled 'The Transnational Power Structure and International Information' (*Development Dialogue*, 1976:2).

by shifting its communications policies, in the 1960s, from providing technical assistance to build up infrastructures, to an involvement with the role of the media in society, and with the content of communications. The conscious bias of these new policies has been that Unesco has a duty to ensure that the media serve development, thus furthering the goals of the new international economic order. In Unesco's view, the technical revolution in communications also demands an effort to establish global criteria for the content of information. As a key document, dating back to 1976, puts it:

> When the mass communications media are used for the transmission of traditional values ... they can be an invaluable instrument... When they are used consistently to convey information based on alien forms of behaviour and value systems, they deform the national character.[5]

Unesco has succeeded, since 1970, in putting this approach into the political agenda. It has done so through two main approaches. The first is the encouragement of national communications policies. Unesco points out that governments will evolve their own priorities in formulating these policies; but Unesco's emphasis on a total approach to communications, taking in everything from advertising to satellite broadcasting in a strategy geared to promoting national development, at least carries the risk that Unesco is involved in assisting governments to perfect plans for the positive manipulation of the media—a development which is qualitatively different from random censorship. The second is its concern with international codes for the media.

These tie in with the more recent activities of the non-aligned governments. Since 1973, they have been seeking both to co-operate with each other to build up their communications media and news exchanges; and to formulate an approach to communications which meets their needs for national development and for the education of their peoples. In 1976, these initiatives became grouped under the loose formula of a 'new world information order'—a set of aspirations rather than a concept, and one which was endorsed by Unesco's Director-General, Amadou Mahtar M'Bow, and the Secretariat.[6]

One phase in the international debate ended last November, when Unesco's 20th General Conference adopted a declaration on the contribution of the media to a number of laudable goals like the promotion of

[5] Unesco Secretariat Working Paper for the Inter-governmental Conference on Communications Policies in Latin America and the Caribbean, San José, July 1976 (COM-76/LACCOM/3, Paris).

[6] Support for a New World Information Order is now the main stated purpose of Unesco's theoretical and practical communications programmes, as presented to the 20th General Conference of Unesco in November 1978. It is also included in the terms of reference set by the Director-General of Unesco for the International Commission for the Study of Communications Problems set up in 1977 and chaired by Sean MacBride.

peace and the fight against racism and apartheid. This declaration, first proposed by Byelorussia in 1972 (with the narrow aim of attacking foreign broadcasts to the Soviet Union and Eastern Europe), had been the centre of bitter controversy ever since because succeeding drafts had implied state control over the press. The declaration came to focus public attention on the growing political confrontation between those who view the media as guarantors of freedom, and those who see them as instruments of state policy. Debates on the declaration, at Unesco, also brought Third World grievances against the Western press into the open.

From confrontation to compromise

At Unesco's 1976 General Conference, the text of the Declaration met with fierce opposition from Western and some Third World governments. To avoid a serious rift in Unesco, the text was referred back to the Secretariat. Unesco's Director-General, Mr M'Bow, was asked to come up with a draft which everybody could accept. A team of drafters was set up which produced a text that avoided direct references to state control: it was submitted to M'Bow in February 1978. In the summer of 1978, however, this text was substantially revised and reshaped by M'Bow. The document which he presented to the 20th General Conference (20C/20) formally acknowledged the place of freedom of expression among basic human rights, and the importance of a diversity of news sources to the public's right to be informed. But it reintroduced the concept of state control in such a way as to make confrontation seem inevitable. By requiring the media to respect the 'dignity of all nations' and to 'promote the establishment of a climate of confidence' it implied that news ought to be selected in accordance with its impact on international affairs. Should the media fail to be guided by the principles which govern relations between states, an international right of reply would have obliged them to 'make known the versions of fact presented by states' which considered that a news report had impinged on their efforts for international harmony, etc. And, in a rewording of the Article which had caused most controversy at the 1976 General Conference, states were to ensure that the information media directly under their jurisdiction conformed with the Declaration's principles.

M'Bow was fulfilling the 1976 mandate from the General Conference in presenting a text; he drew both on the 1976 draft and on the text prepared by the expert group commissioned by Unesco and presented to him in February 1978. The request from the 1976 General Conference, however, was for a text which all could accept: 20C/20 was very far from meeting this requirement.

Yet on 22 November 1978, all member states agreed on a final text which, to the general surprise, repudiated state control of the press, emphasized human rights and asserted that 'journalists must have free-

dom to report and the fullest possible . . . access to information.' Because this effectively turned the text presented by Mr M'Bow to the General Conference inside out, it was widely interpreted as a victory for the West. It was nothing of the kind—although it represented weeks of intricate political manœuvring and some skilful diplomatic footwork by Western countries. Their achievement was to square the circle, in appearance and for the time being. Agreement had the effect of papering over fundamental differences, which was much better than pretending that any Unesco document could have resolved them.

The politics which surrounded the protracted arguments about the compromise Declaration on the media[7] throw some light on the state of this multi-faceted debate. Essentially, a compromise was worked out in Paris because each side saw tactical advantages in agreement. The West avoided an immediate threat to the flow of information. The Soviet Union secured a last-minute reference to the 1966 UN Covenant on Civil and Political Rights. Article 19 of that Covenant says that 'freedom of expression' carries with it 'special duties and responsibilities' and 'may therefore be subject to certain restrictions . . . necessary . . . for the protection of national security or of public order'. (Both have frequently been invoked by censors; together, they can be used to silence most reports which embarrass authority.) It was this which led Yuri Kashlev, one of the Soviet delegates, to emphasize that 'perhaps for the first time in history, an authoritative international document affirms the need to combine freedom of information with the responsibility of the mass media'. For Unesco, the compromise did more than avert a rift in the organization. It enhanced its prestige, and implicitly endorsed its policy of involving itself with the highly political questions of the role of the media and their relationship to government.

The developing countries gained the endorsement of certain principles, set out in the Declaration: the need for a better balanced news flow; the need to take into account 'their aspirations, points of view and cultural identity'; and the legitimacy of their 'aspirations . . . for the establishment of a new, more just and more effective world information and communication order.'

Everything, in other words, is still to play for. Beside this much-publicized bargaining process, we are left with the long-term issues. The Western governments promised substantial sums of Danegeld last November, from financial support for Third World media, to free access to satellite time. If they implement these offers speedily, it may cool the rhetoric for the time being; but only a handful—West Germany and the Scandinavians—have any idea where to begin.

[7] Declaration on Fundamental Principles Concerning the Contribution of the Mass Media to Strengthening Peace and International Understanding, the Promotion of Human Rights and to Countering Racialism, Apartheid and Incitement to War; Documents of the 20th General Conference, Unesco, Paris 1978, 20C/20 Rev.

Future prospects: MacBride Commission

The real guidelines to future progress of the debate are to be found in the Interim Report of the MacBride Commission,[8] which has 16 members and was set up by Unesco's Director-General in December 1977 with instructions to investigate the totality of communications problems. After three meetings lasting precisely eight days, the Commission produced a long report for the Unesco conference, and two separate papers prepared by members of the Commission. The Report offered a list rather than an analysis of communications problems. Written in language appalling even by Unesco's standards of longwinded 'newspeak', it interpreted the Commission's brief so broadly that it concludes that 'seen in global terms, communication appears co-extensive with society as a whole'. But through the language, and the contradictions inherent in its approach, it suggested a firmly *dirigiste* bias. Stating that 'it is difficult to understand the ongoing criticism of developing countries' concern to place information and communication as much as possible in the service of development', the Report clearly implied that this would mean the rejection of 'Western norms' of journalism—because journalists would then 'highlight only the darker side and the media would thereby help deliberately to undermine that trust and confidence without which growth and development are impossible'. Instead, the media should be used to 'develop a broader social consciousness in the public', and to stimulate it to action to solve global problems.

Turning to the future, the Report asked whether 'developing the capacity to inform'—would be 'enough—without formulating norms governing news content and hence without affecting the freedom to inform?' The state's role in formulating and applying codes of ethics for journalists was taken to be central—and such codes, it suggested, might well include 'principles governing journalists' duties and responsibilities towards the international community and foreign countries'. (What this tends to mean could be illustrated by Jordan, where *Al Akhbar* last year fell foul of the press law protecting Arab and other friendly heads of state and was suspended for three days.) Enquiry into communications problems, it concluded, might properly begin by looking at 'the advisability of taking at the regional or international level, measures . . . establishing codes, normative instruments, arbitration procedures, setting up international or regional councils, etc.'

Written by the Secretariat rather than the Commission's members, the Interim Report could be dismissed as an academic exercise of fairly low calibre but for two things. First, the debates on it at Unesco showed that it represented the majority in advocating treatment of communications as an integral aspect of social ordering, and international con-

[8] The Interim Report of the International Commission for the Study of Communications Problems (Paris: Unesco, 1978).

trols over the media. Second, the Final Report which is due at the end of this year will probably set out the proposed shape of a New World Information Order: its recommendations are likely to influence Unesco's future policies profoundly, and also the actions of individual governments. If it emphasizes controls against the 'abuses' of press freedom, rather than the creation of conditions for a multi-faceted news flow, it is likely to be cited by governments who wish to invoke an 'independent' expert body when imposing controls on their media and on imports and exports of news.

When the Commission met in Dubrovnik in January this year, initial reports were not encouraging: the Chairman, Sean MacBride, was to work with Mustapha Masmoudi, the principal exponent of the call for a new information order, to draft proposals for codes of ethics and press councils, international as well as national. MacBride is thinking in terms of an inter-governmental press council, 'within the UN family':[9] the poachers will be invited to turn gamekeepers if this goes through.

The Third World does not speak with one voice on this issue—although significantly, information unites more governments than any other aspect of the North-South 'dialogue'. Within developing countries, there is a lively argument between those who believe that the media should serve the state, and those who believe that the state—and national development—are best served by media free from state control. The dilemma for Western governments is that, if Third World supporters of a free press are not to be even more isolated than they are already becoming, the West must involve itself in the debate. But to do so implies a degree of government concern with the role of the media which Westerners cannot accept.

Absentees will be losers, however: if Western governments do not like the trends at Unesco, they have largely their indifference to blame. And the issues will not go away, because there are genuine grievances, however unattractive the current prescriptions to remedy them. The communications revolution—both in terms of technology and of the growing bulk of information circulated—makes radical changes inevitable. Co-operation is vital, but it cannot ensure that new means of communicating in developing countries will be employed to carry news rather than propaganda.

That issue will be decided within the Third World. An African journalist recently wrote that there is a price to be paid for the decolonization of the media. It requires, he said, strengthening the press with better infrastructures, training, etc. 'But above all it requires a liberalization of our political concepts . . . freedom of information is not inconceivable in developing countries—press criticism and discussion does not threaten the most sacrosanct stability of our governments.'[10] Like many Third

[9] Conversation with the author in London shortly after the Dubrovnik session.
[10] Unsigned article in *Afrique*, Summer 1978.

World journalists, he is prepared to argue that support for open debate does not imply corruption by 'alien values'. But policies are made in government offices, not newsrooms. In providing assistance to the press of the developing countries, Westerners can only gamble that a healthy press and well-trained journalists will be better able to sustain the internal debate.

Agreement last November at Unesco bought a short breathing-space, but even before the MacBride Report is published, the issues will be tested again at the World Administrative Radio Conference. Opening in Geneva next September under the auspices of the International Telecommunications Union, this will be the first general conference in 20 years to reallocate the entire radio spectrum. Third World countries will press for a drastic reallocation of the short-wave frequencies (of which a quarter are currently absorbed by just two countries, the Soviet Union and the United States); and they may also demand allocations across the spectrum on the basis of national rights rather than services and known requirements. The outcome will affect not only broadcasting, but also defence and commercial interests, into the next century.

The compromise Declaration on the media may also prove to have set a precedent for governments to pronounce on the content of news and the role of the press. At Unesco's next General Conference, in 1980, developing countries will almost certainly press for a Declaration on the international right of reply (for states as well as groups or individuals)—something they relinquished in November only very reluctantly and at the last minute. The effect on international reporting, if such a Declaration went through, could be to restrict severely the coverage of non-complying news organizations. Unesco's own policies are also scheduled to produce—sometime around 1984—a world conference on communications policies.

The New World Information Order will not spring into existence overnight: nor, as some governments recognize, can the information gap be narrowed without co-operation with Western media and access to Western funds and technology. Its development will hinge on the willingness of the Western press to look more self-critically at its own performance; and on the recognition of Western governments that the issue is becoming central to North-South negotiations, rather than being a peripheral irritant. But even under the most propitious conditions of co-operation, some frontiers may close to foreign reporters; without these conditions, it is virtually certain that our picture of the world will shrink, in an atmosphere of mutual recrimination.

Corrigendum

The World Today, March 1979, p. 92, line 4 after the subhead, for 'the joint Soviet-American statement on the Middle East' read 'the Soviet statement on the Middle East'.

PRINTED IN ENGLAND BY POPPER & COMPANY LTD, WELWYN GARDEN CITY, HERTFORDSHIRE

ORBIS

A Journal of World Affairs

Volume 22 **Winter 1979** **Number 4**

REFLECTIONS ON THE QUARTER

ORBIS is published four times a year by the **Foreign Policy Research Institute,** 3508 Market St, Suite 350, Philadelphia, PA 19104.

Subscription Rates, per year: $15 for individuals, $25 for institutions. (Outside U.S.A., add $2 per year.) Single copies: $6.50.

THE WORLD TODAY

Founded in 1945, THE WORLD TODAY is issued under the auspices of the Royal Institute of International Affairs and published monthly by the Oxford University Press.

ANNUAL SUBSCRIPTION (12 issues a year)
Including postage inland and overseas
UK £7
US $20 (by accelerated surface post)
Elsewhere £9
Single copies 70p ($2) post free

Orders may be sent to booksellers and newsagents or to the Oxford University Press, Press Road, Neasden, London, NW10 0DD Telephone 01-450 8080

The Royal Institute of International Affairs is precluded by the terms of its Royal Charter from expressing an opinion of its own on any aspect of international affairs. Any views expressed in this publication are, therefore, the responsibility of the contributors.

ISSN 0043-9134

THE WORLD TODAY

The Royal Institute of International Affairs

CONTENTS

EDITOR: LILIANA BRISBY

May 1979
Vol. 35. No. 5

Manuscripts and correspondence should be addressed to the Editor, *The World Today*, The Royal Institute of International Affairs, Chatham House, 10 St James's Square, London SW1Y 4LE.

Note of the month

DR WALDHEIM AT CHATHAM HOUSE

WHEN Dr Kurt Waldheim, the Secretary-General of the United Nations, spoke at Chatham House on 26 March—the first holder of his office to have done so—he had come with the intention of making a clean break with his usual style of public appearance. Even more than his predecessor Dag Hammarskjold he had started off his tenure committed to the idea of 'quiet diplomacy' and he had stuck to it longer. Now he had begun to fear the consequence for the UN of the fact that its chief executive had disappeared largely from view. In the end, however subtle and opaque Hammarskjold's view of the world really was, that world was to become extremely conscious of his presence; much of the capacity audience which heard Dr Waldheim at the Royal Institute of International Affairs in London would have been hard put to it beforehand to identify him with any particular viewpoint. The contrast was striking between the advance text of his speech, empty of specifics and with metaphors not so much mixed as mangled, which was totally abandoned, and the candid manner in which, speaking from a few scribbled headings, he shared his acute anxieties about the state of the world. It was, however, indicative of the UN's predicament that the burial of 'quiet diplomacy' passed largely unrecorded in the British press.

The Secretary-General has, he made clear, a despondent view of the state of international relations. This gloom does not arise from expectation of a new world war, which he considers the Great Powers to be too terrified to start, but from persistent failure to clear up even one of the big regional conflicts arising since the last world war. The Great Powers (he uses the old-fashioned language of diplomacy; no super-powers for him) are prisoners of their destructive capacity, the smaller powers have not yet proved able to constitute a 'reliable middle force in world affairs', and the international economic system is 'obviously no longer suitable for an interdependent world of free nations'. But the fundamental fault he expresses in terms of his own experiences: '. . . again and again I have been confronted with a lack of good will, a lack of political will, a lack of good faith . . .'.

Dr Waldheim delivered his Chatham House speech on the very day that the bilateral Peace Treaty was signed in Washington between Egypt and Israel. 'Will this really solve the Middle East problem?' he asked. 'In

this regard I am somewhat sceptical . . . because what was left out in the bilateral Peace Treaty in so far as the substance of the problem is concerned is the Palestinian issue which remains the core of the Middle East problem . . . I am deeply convinced that you can only solve this problem if you bring back all the other parties concerned in the negotiating process. Without this there will be no peace in the Middle East.' By referring to the need for the co-chairmen of the Geneva peace conference to play their role, the Secretary-General was showing his anxiety that the Soviet Union was excluded from the current negotiations. He appreciated, he said, that two member states of the UN were making peace but developments in Iran had created a new situation; he evidently doubted that the timetable for opening out the agreement to cover wider issues was a sufficient response.

To some degree Dr Waldheim had anticipated his new policy of speaking out on specific issues by the sharpening tone of his written reports to the Security Council on the United Nations Interim Force in the Lebanon (UNIFIL) and of his mediation efforts in Vienna on the situation of Cyprus. 'Through no fault of its own,' said the latest report on South Lebanon, 'UNIFIL has not been in a position to alter a situation which is neither acceptable to the Government of Lebanon nor compatible with the intentions of the Security Council.' According to the Secretary-General, the United Nations was not getting the necessary co-operation from the Israeli Government, while it had established 'reasonable working relations with the PLO and the Palestinians in the area'. Israel made no secret of its support of the Christian forces. Dr Waldheim said he had repeatedly asked for diplomatic support from the United States to gain Israeli co-operation. The Americans tried but apparently the Israelis did not take any notice of them.

Turning to the Cyprus problem, the Secretary-General recalled that, following the rejection of an American draft proposal, he had been asked by both parties to submit a series of drafts. 'One proposal after the other was rejected either by one or the other party. Where is the good will? Where is the real interest to solve the problem? I miss it. I do not see it. We have been desperately trying for some months in the United Nations to find a solution for at least an agenda which would make it possible for us to resume the intercommunal talks. It was not possible. Either one side or the other rejected all the proposals which I had put to them and, to tell you frankly, after these frustrating sessions with the two parties in Vienna, I am getting very careful and cautious.' He was not going to resume the talks without a clear idea of where they were going to lead. It was perhaps typical of the Cypriot negotiations that this part of his speech and his answers to related questions produced distorted reporting in Cyprus itself. He later had to deny that he had spoken in favour of the partition of Cyprus, which indeed he had not, and that he had expressed

approval of the presence of Turkish forces when he had made the unexceptionable remark that they were present in the northern part of the island. What he did subsequently achieve by having spoken out was an agreement by the two Cypriot leaders, President Kyprianou and Mr Denktash, to meet again in his presence—with, of course, no guarantee that this would lead anywhere.

Regarding Namibia and Rhodesia, the Secretary-General felt that their situations were related, in that success with a UN-supervised election in Namibia would have a healthy influence in Rhodesia, possibly leading to a similar basis of settlement. Despite past setbacks, Dr Waldheim was hopeful about the most recent 'proximity talks' that he had organized in New York involving the five Western 'contact powers' and the five 'front-line' states with both South Africa and SWAPO. Fresh ideas had emerged which might enable the United Nations to go forward with the plan to land a force of 7,500 in Namibia and organize an election. Asked about the election which has since taken place in Rhodesia, Dr Waldheim replied candidly: 'We would not recognize these elections because they do not include all parties concerned, especially the Patriotic Front. I am convinced that whatever government comes out of these internal elections will not lead to peace in the country. We will be faced with an endless guerrilla war.' To the question whether mandatory sanctions must therefore remain he replied: 'As long as the internal solution prevails, we have no other choice.'

In the recent Sino-Vietnamese war in South-East Asia, the protagonists were united in rejecting the UN's verdict that 'the invasion of Cambodia by Vietnamese troops on the one hand and the Chinese offensive against Vietnam on the other, should be tied'. Both sides alike insisted that they were 'completely different problems, whereas the Security Council was of the opinion that what happened later on in Vietnam could only be explained by the invasion of Vietnam into Cambodia'. Still, Dr Waldheim thought that the robust expression of world public opinion through the debate in the Security Council and the near-unanimity of its conclusion with a resolution calling for a complete withdrawal of troops from both Cambodia and Vietnam, which was only thwarted by a single veto, had an influence on bringing the fighting between China and Vietnam to an end.

Finally, Dr Waldheim called for a more imaginative response in the West to the demand from the developing world for a new international economic order. He saw a positive sign in the recent agreement in Geneva about the Common Fund. The confusion and defeatism which the Secretary-General diagnosed at large in the world would not be dispelled until there was a prospect of solving the relationship between North and South.

KEITH KYLE

China's new outlook: the end of isolationism?

MICHAEL YAHUDA

TOWARDS the end of 1978 it was possible to argue that China stood on the threshold of a new era in terms of its relations with the outside world. It seemed that Peking's pursuit of rapid economic modernization had led it to discard its pristine views of self-reliance[1] in favour of the more interdependent foreign trade patterns of other major countries. At the same time, a more active diplomacy, designed to counter the Soviet Union's perceived global hegemonistic ambitions and its alleged attempts to encircle China, appeared to involve the Chinese in more co-operative patterns of international behaviour.

However, China's limited attack on Vietnam demonstrated that, far from having been drawn into accepting Western diplomatic norms, China's leaders were still firmly wedded to their ways of understanding the main structures of global politics and, what is more, prepared to act upon them to the relative discomfort of their new-found friends in the West. Coincidental with but unrelated to the attack on Vietnam, there were signs that the Chinese leaders had reconsidered their modernization programme and intended to scale down the extent of their purchases of foreign advanced technology and to cut back on their willingness to incur foreign debts. Apart from dampening the ardour of those latter-day 19th century merchants who were mesmerized by the prospect of a supposed Chinese market of hundreds of millions of consumers, these recent developments also cast doubt on the extent of the change in China's position brought about by its new diplomacy since Mao's death. Thus it is worth examining how far China has abandoned its relative isolation in favour of a radically new framework of foreign relations.

Modernization and foreign relations

Although China's economic plan for 1978–85 has not been published, some of its ambitious targets were revealed during the course of the National People's Congress in March 1978. These called for the estab-

[1] For an elaboration of China's international position at that time, see the Introduction and Chapters 9 and 10 of Michael B. Yahuda, *China's Role in World Affairs* (London: Croom Helm, 1978) and Alexander Eckstein, *China's Economic Revolution* (Cambridge: Cambridge University Press, 1977).

Mr Yahuda is Lecturer in the Department of International Relations at the London School of Economics and Political Science; author of *China's Role in World Affairs* (London: Croom Helm, 1978).

lishment by 1985 of 120 large-scale projects, including 10 iron and steel complexes, nine non-ferrous metal complexes, eight coal mines, 10 oil and gas fields, 30 power stations, six new trunk railways and five key harbours. The value of agricultural output was to increase by 4–5 per cent annually and that of industry by 10 per cent. This could be seen as a belated return to the long-standing Chinese goal of building a 'modern powerful socialist country' on a par with the advanced Western countries. The urgency of the drive for modernization reflected the concern of many of the key leaders, who are well into their seventies, to produce results that place China firmly on the road of economic progress before their advanced age finally catches up with them. It also arose from the recognition that the Cultural Revolution of 1966–76 obstructed progress to the point where China was lagging even further behind the advanced industrialized countries than at the end of the 1950s. It was accepted, particularly after Deng Xiaoping (Teng Hsiao-ping)'s return to full power in the summer of 1977, that, if the country were to stand any chance of bridging this enormous scientific and technological gap by the end of the century, China would have to turn to Japan and the West for access to advanced technology. As China's leaders hammered home the message to their middle and junior-level cadres and enterprise managers that they had to change their administrative methods for others which would yield greater profitability, efficiency and productivity, they increasingly encouraged them to learn from foreign models of management. This suggested that another reason for the urgency with which modernization was being sought was to administer a kind of a shock to the lethargic Chinese bureaucracies and managers so as to dislodge them from the habits of the last two or three decades which were now found to be wanting. But perhaps the most important reason for the breakneck speed was that, after all the struggles and political campaigns of the previous 20 years, the morale of the work force (the overwhelming majority of whom are too young to have conscious memories as adults of the awful conditions of pre-Communist China) was low. After all, according to China's leaders, this is a work force which has hardly had any improvement in its standard of living for two decades. Indeed, an article signed by the newly appointed head of the Academy of Social Sciences claimed that any increases in China's industrial output since the Great Leap Forward of 1958 have been due to increases in the work force rather than better productivity.[2] Thus China looked to the outside world not only for the import of 'turnkey' advanced technology projects with which to galvanize China's industry but also for ideas and models to regenerate Chinese economic management. (For instance, factory administration is being changed very much along Yugoslav lines.)

[2] Hu Qiaomu (Hu Chiao-mu), 'Observe economic laws, speed up the Four Modernizations', *Peking Review*, Nos. 45, 46 and 47, 1978.

As 1978 drew to a close, some of the problems of the headlong rush to achieve the ambitious targets began to emerge. As provinces and individual ministries were given authority to negotiate their own foreign deals, China's prospective indebtedness abroad began to grow alarmingly and break down hitherto cherished notions of self-reliance. Within two months of Britain's former Trade Minister, Edmund Dell, being told in no uncertain terms in Peking that intergovernmental loans were unacceptable as a way of meeting its credit needs,[3] China reversed its position. Its leaders found themselves forced to accept credits and loans of various kinds in accordance with modern international banking and trading practices. By 28 March 1979 the *Financial Times* calculated that China had already committed itself to foreign purchases to the extent of $70 billion. To be sure, a proportion of this would be covered by China's exports and by barter deals—of which that signed with Japanese businessmen to the value of $10 billion each way by 1985 was the most significant. Nevertheless, in February 1979 the Chinese leaders made it clear that the tempo of foreign trade commitments was to be slowed down. Vice-Premier Li Xiannian (Li Hsien-nien) conceded that there was 'a grain of truth' in the reports of China's shortage of foreign exchange and added that 'it seems our ministers had a huge appetite [for foreign exchange]'. At the same time, he reaffirmed that China's trade policy would be continued, though it might be slowed down on some specific projects. Japan's Foreign Minister was told by the Chinese that, although the basic policy for trade with Japan would continue, they believed that this trade had progressed 'somewhat too hastily'. He also noted that so far they had made deals without an overall blueprint or a long-term perspective.[4]

China's problems, however, went deeper than a mushrooming foreign debt. Without revealing any details, the communiqué of the third plenary session of the Party's Central Committee in December 1978 suggested that agriculture was posing grave problems and called on all party members to pay particular attention to this area.[5] Towards the end of February, several articles in the *People's Daily* reflected a change of economic priorities. In particular, the paper claimed on 24 February that Chinese planning had overemphasized steel and other heavy industry sectors and urged that more attention should be paid to agriculture and light industry. These fundamental reappraisals had an immediate impact upon China's planned purchases of huge steel plants. The one being built by the Japanese in Shanghai now became subject to delay and the decision to expand the capacity of the steel mill in Wuhan from 2·5 to 6 million tons per annum was reversed. Japanese executives were said to

[3] See his article in *The Times* (London), 12 August 1978.
[4] *International Herald Tribune*, 2 March 1979.
[5] For the text of the communiqué, see *Peking Review*, 29 December 1978.

be 'shocked' by these decisions which cast doubt on deals worth Y560 billion thought to have been settled.

Nevertheless, international business confidence in dealing with China does not seem to have been greatly shaken by these developments. China's need for advanced technology—which is obtainable only from the West—is still in evidence, even though the priorities have been changed and the tempo of industrialization slowed down. However, any discussion of the opening up of the Chinese economy to significant foreign influence or penetration is decidedly premature, if not illusory. Perhaps of greater long-term significance in this regard has been the decision to send as many as 20,000 students on a regular basis to Western institutes of higher education. Clearly the influence of a generation of highly trained students familiar with Western ways and modes of thought could be of inestimable importance in the future.

Vietnam as the 'Asian Cuba'

A major factor precipitating China's more active diplomacy has been Peking's perception of a new danger of Soviet encirclement extending from the Mongolian and Soviet borders in the north and the west to heightened Soviet activity in the Gulf area (seen especially in the alleged instigation of the coup in Afghanistan and the assassinations of the Premiers of the two Yemens). But nowhere were the Chinese more conscious of a new Soviet threat than in Vietnam,[6] whose regional ambitions were seen to dovetail into Soviet aims at global hegemony. Perhaps the major turning-point in the deterioration of Sino-Vietnamese relations was the Chinese limited accommodation with the United States in 1971–2 while the Vietnamese were still at war with the Americans. By this stage it was already clear that the Chinese and the North Vietnamese were in conflict about the future of Indochina. In 1972 Zhou Enlai (Chou En-lai) confided to a Western diplomat that he was opposed to the prospect of Indochina being dominated by one country.[7] Thus, after the final American debâcle in Indochina in April 1975, China emerged as Cambodia (Kampuchea)'s closest friend and supporter. The Chinese were instrumental, too, in effecting diplomatic understandings between Thailand and the Pol Pot regime as a buffer against the Vietnamese. Meanwhile the Vietnamese had moved closer to the Soviet Union. By the time the concealed Sino-Vietnamese conflict became public in 1978 with the flight of 160,000 ethnic Chinese from Vietnam to China between April

[6] See *People's Daily*, 19 September editorial, 'A new move in the Kremlin's global strategy', in *Peking Review*, 29 September 1978.

[7] See Ross Terrill, *800,000000, The Real China* (Harmondsworth: Penguin, 1975), p. 235. For a Chinese account of the origins of the war with Vietnam see Vice-Premier Li Xiannian's memorandum handed to Vietnam's Premier Pham Van Dong on 10 June 1977 in *Beijing Review*, 30 March 1979. For a Vietnamese account, see the memorandum of the Ministry of Foreign Affairs of 15 March 1979 in the BBC Summary of World Broadcasts, Part 3, FE/6070.

and July (when the Chinese effectively closed the border), China's leaders maintained that the overseas Chinese question was but a secondary factor in their dispute. The major issue, they claimed, was Vietnam's link with the Russians which had already transformed it into the 'Cuba of Asia'.

Thereafter events moved rapidly. In July, Vietnam joined the Soviet-dominated Council for Mutual Economic Assistance (CMEA or Comecon) and China cancelled its remaining economic aid to Vietnam. In November, Vietnam and the Soviet Union signed a Treaty of Friendship which, interestingly, was more similar in form to Moscow's treaties with other Third World countries than to those with its Communist East European allies. Thus, the single military clause committed the two sides only to 'consultation' with a view to practical assistance in the event of an attack or the threat of an attack upon either; there was no automatic commitment to military assistance like in the treaty's East European equivalents. Nevertheless, a Vietnamese diplomat was confident that the pact gave Vietnam protection against any possible 'adventurist' acts by China.[8] Having secured this insurance policy, Vietnam's armoured divisions launched a massive and rapid strike into Kampuchea on 25 December. The conquest of the country was completed in less than a fortnight and on 7 January 1979 a puppet regime was installed in Phnom Penh. Meanwhile there had been an escalation of border incidents between China and Vietnam. Amidst mutual recriminations the Chinese warned Vietnam to stop its 'provocations' or face the consequences.

China's leaders seemed to have been placed in a dilemma. On the one hand, they were able to secure a propaganda victory at the United Nations where a non-aligned resolution calling for the withdrawal of foreign forces was vetoed by the Soviet Union and where, despite Soviet and Vietnamese protests, Prince Sihanouk was allowed to address the Security Council as the accredited representative of Kampuchea. The Chinese must also have been pleased with the ASEAN stand, which was similar to the terms of the non-aligned resolution. On the other hand, China was shown to have been unable to prevent the toppling of a neighbouring regime to whose support it was publicly committed. Moreover, Peking was faced with a situation which it had strenuously and consistently sought to prevent since 1949—that of having its major global adversary dominate a neighbouring country and thereby pose a significant security threat. The regional implications were ominous, too, since regardless of any immediate paper propaganda victories it was reasonable to expect that the other countries of South-East Asia would soon adjust themselves to the new power realities of the region and accept a more active Vietnamese and Soviet role. China's leaders, and specifically Deng Xiaoping, were faced with a crisis of credibility: a consistent theme of their arguments was that Soviet-inspired expansionism could be pre-

[8] Nayan Chanda in the *Financial Times*, 9 March 1979.

vented only by resolute resistance; now that it had manifested itself on China's doorstep rather than in distant Africa, it was incumbent upon them to act. The real difficulty of the Chinese position was that, while the political objectives behind Deng's repeated calls to 'teach Vietnam a lesson' were easy to identify, it was less easy to see how they could be translated into specific military targets or objectives on the ground. Any military incursion into Vietnam would have to be limited in duration and penetration so as not to challenge the Soviet Union's prestige to the point of compelling it to intervene. Likewise, a prolonged incursion could damage China's burgeoning relations with the West and especially the United States and Japan. A further problem arose from the fact that China would have to commit a large-scale force because it could not afford to be beaten. But that in turn raised the problem of a possible pyrrhic victory in which China's success would be countered by Vietnamese claims to have inflicted massive casualties on the invaders so that the actual outcome would remain unclear and the limitations of China's armed forces would be cruelly exposed.

In the event, the Chinese limited war must be regarded as a success—but not without qualifications. The Chinese incursion began on 17 February—the day before the Vietnamese Premier signed a Treaty of Friendship with the new regime in Phnom Penh. On 5 March, after the capture of the Provincial capital, Lang Son, the Chinese announced their intention to begin their withdrawal which was said to have been completed on 16 March. Very little is known about the war. As was to be expected, both sides claimed victory, but clearly China emerged with a much stronger political position. The Soviet Union did not intervene actively in the war. This must have devalued considerably the currency of the Soviet friendship treaties with Third World countries. The lack of direct Soviet intervention also suggested that, as in the past, Moscow did not consider this area vital to its national security interests. From a Soviet perspective, it was clearly preferable to leave the fighting to the Vietnamese while the Soviet Union sought to exploit such propaganda points as could be won by pointing to the 'aggressiveness' of the Chinese leaders. However, in this respect, too, the Chinese had cause for satisfaction: for, although Western governments and indeed the non-aligned countries (including those of ASEAN) formally disapproved of China's action, they phrased their demands for a Chinese withdrawal in the form of a call for the withdrawal of all foreign forces from the areas of conflict in Indochina. This meant that the Chinese incursion was linked with the Vietnamese conquest of Kampuchea. China had been careful to limit its justification for the incursion to bilateral issues only, but its leaders expressed satisfaction that others had made that linkage. Furthermore, it was important for China that, notwithstanding Western formal disapproval of the incursion, representatives of the United States and Britain visited Peking in the

course of the war and signed agreements facilitating the extension of trade. China had thus achieved its main political objectives without incurring any significant political costs. Vietnam was now placed in a position in which its problems had been considerably exacerbated: its grave economic difficulties and the prospect of protracted fighting against the insurgent remnants of the Pol Pot regime in Kampuchea were compounded by the need to divert scarce resources to the north. The Chinese now claim to have punctured Vietnamese arrogance. It is perhaps too early to assess the long-term implications of these events on the rest of South-East Asia, but it is interesting to note that the Chinese action did not elicit the kind of opprobrium that the Vietnamese earned by their invasion of Kampuchea.

Globalization of the Sino-Soviet conflict

China's limited war against Vietnam also highlighted a problem that had become evident in the course of its more active diplomacy of the previous year: many of the issues related to the Sino-Soviet conflict were affecting the foreign policy and foreign trade choices of many other countries. Some of these bear directly upon the central questions of the management of détente and deterrence which lie at the heart of the structures underpinning the strategic central balance between the Soviet Union and the United States.

There can be little doubt that the normalization of relations with the United States, sealed by Deng Xiaoping's highly successful visit to America, was a contributory factor in providing the Peking leaders with the necessary confidence to mount the limited attack on Vietnam. While it may be tempting to draw a comparison with the Soviet-Vietnam Friendship Treaty of November 1978 which was followed by the Vietnamese conquest of Kampuchea begun a month later, it should be pointed out that the Soviet Union fully approved of the Vietnamese conquest (indeed, it may even have played a part in initiating it) and the treaty had a clause calling for possible military co-operation; but there is no evidence of similar American collusion in the subsequent Chinese attack on Vietnam, though many observers saw in the Sino-American rapprochement the main reason for Moscow's effective postponement of the signing of SALT-2.

The initial Soviet reaction to the Chinese attack was to accuse the Americans of connivance incompatible with détente, but by the last week of the incursion Soviet commentaries were congratulating the Soviet and American leaderships for having resisted the alleged Chinese scheme to draw them into conflict.[6] The irony of the present situation is that the Sino-Soviet quarrel of the late 1950s and early 1960s as to whether the

[6] See *Soviet News*, 20 February 1979, and a *Pravda* commentary of 5 March cited in *International Herald Tribune*, 6 March 1979.

Americans were best dealt with by confrontation or conciliation has now become transposed into a disagreement between the Chinese and the Americans on how to deal with the Soviet challenge. The Chinese leaders freely compare attempts to reach an accommodation with the Soviet Union with appeasement. Indeed, it is difficult to avoid the impression that Deng Xiaoping intended the 'lesson' administered to Vietnam to be instructive also for the United States. A recent Xinhua (Hsinhua) commentary ostensibly directed at the Third World put it as follows: 'If the peace-loving countries strengthen their unity, support each other and dare to fight, any aggressive schemes of the Soviet Union and its lackeys can be smashed.' It continued: 'Positive and negative lessons demonstrate that any ideas of winning over or curbing big or small hegemonists by means of compromises, concessions, connivance, or by trade, loans, economic aid and passing on technical knowhow are illusory.'[10]

It is within this context that China's more active diplomacy should be understood. Following a succession of visits by China's senior leaders to the countries of South-East Asia to consolidate relations with neighbours and counter Vietnamese influence in the area, Chairman Hua visited Rumania, Yugoslavia and Iran. The visits were generally seen as indicating not only Chinese support for countries threatened by the prospect of Soviet intervention but also as a challenge to the concept that these countries belong to a Soviet sphere of influence. The major diplomatic breakthrough from the perceived Soviet attempt at encirclement was the peace treaty with Japan signed in August 1978 and ratified during Deng Xiaoping's visit to Japan last October, followed by the normalization of relations with the United States in December. Both sets of agreements involved mutual concessions, but the Chinese insisted upon the reaffirmation of the 'anti-hegemony' clause. Although Japan claimed that it was still wedded to the concept of 'equidistance' as the guiding principle of its foreign relations in East Asia, and the Carter Administration was at pains to disavow any connexion between its China policy and its pursuit of détente with the Soviet Union, Peking certainly saw its agreements with Japan and America in the context of an alleged common interest in blocking the advance of the Soviet Union, just as Moscow spoke of the threat of a new China–Japan–America axis.

At the same time, these agreements also provided a context in which there were signs that China might lend its influence towards a peaceable solution to the Korean problem. Similarly, without formally disavowing a possible unification of Taiwan by force, Deng Xiaoping and his colleagues made it clear that they sought a peaceful solution. Surprisingly, they did not allow their opposition to America's declared intention to continue to supply Taiwan with defensive weapons to prevent them from signing the normalization agreement with the United States.

[10] *Beijing Review*, 30 March 1979.

In sum, China's more active diplomacy has clearly brought it out of its earlier isolationism into more co-operative patterns of external relations, though it is premature to envisage the opening up of China to any considerable extent. As for the prospect of China being induced to observe the diplomatic norms of the international politics of détente, the Chinese limited war against Vietnam demonstrated very clearly that China's leaders still prefer to act on the basis of their own independent analyses of international affairs. Therefore the major issue for the international community is the extent to which the new active China will influence international political processes rather than the extent to which China itself might be shaped by them.

The Egypt–Israel Treaty and its implications

PATRICK SEALE

It is received wisdom that unsatisfied Palestinian national aspirations lie at the heart of the Middle East conflict. From this it follows that the fatal flaw of the Egypt–Israel Treaty of 26 March 1979 is its failure to ensure that such aspirations will be satisfied.

In fact, Palestinian aspirations are primarily of interest to Palestinians. For other parties—whether critics or supporters of the Treaty—national self-interest looms large. The arguments for and against the Treaty, the rival prognostications of what follows from it, are essentially arguments about power. Implicit in the Treaty is a pattern of power relationships which its signatories (each from his own point of view) wish to see realized and which its opponents reject.

America's bid for power

The first thing to say about the proposed pattern is that it is largely of American manufacture. Without American diplomacy—sticks as well as carrots—there would have been no Treaty. Not since British and French overlordship of the area after the First World War has an external power so sought to stamp its political imprint on it.

In imposing peace on Egypt and Israel, the United States is essentially pursuing its national objectives. Of these the most important are to avoid war, always expensive, unpredictable in outcome, and with the dread potential of getting out of hand and sparking off super-power conflict; to exclude or at least contain the Soviet Union in the Middle East and Africa; to protect Western access to Arabian oil, which implies the preservation of the political status quo in the oil-producing countries; and, of course, to safeguard Israel, which for sentimental, moral and domestic political reasons has been a constant of American policy since the foundation of the state in 1948. To these should be added a concern for the President's personal political fortunes.

Why should the United States choose this moment and this method to attempt to achieve those objectives? President Carter's peace-making represents an unprecedented expression of American will in the area, but

Mr Seale writes on Arab affairs for *The Observer* (London) and other publications. His books include *The Struggle for Syria* (London: OUP for RIIA, 1965), and (with Maureen McConville) *French Revolution 1968* (London: William Heinemann; Harmondsworth: Penguin Books, 1968) and *Philby, The Long Road to Moscow* (London: Hamish Hamilton, 1973; Harmondsworth: Penguin Books, 1978).

it is the logical outcome of more than a decade of diplomatic endeavour, much of it futile. The truth is that many roads to peace have already been explored and found to be blind alleys. Security Council Resolution 242 of November 1967 proved ineffective as a peace-making instrument in spite of wide international support and, indeed, lip-service paid to it in the area. The Rogers initiatives of 1969 and 1970, which attempted to work with the Soviet Union and through the United Nations, were equally abortive. The Geneva-type formula of a conference assembling all the parties to the dispute under the benign eye of two super-power referees collapsed under the weight of its unresolved contradictions. The only progress in years of repeated efforts was achieved by Dr Kissinger's hard-won three disengagement agreements in Sinai in 1973 and 1975 and on the Golan Heights in 1974. These were successes in so far as they effectively ruled out the early possibility of armed conflict. In particular, they removed Egypt from the battlefield and encouraged it to rebuild Canal Zone towns which became hostages to peace. An encouraging aspect of the disengagement agreements between Israel and Egypt was the scrupulous way in which both sides implemented them, a necessary confidence-building preliminary to the far more ambitious negotiations of the last two years.

This background of success and failure, mainly failure, produced the intellectual formulation of an American Middle East policy in The Brookings Report of 1975 which the Carter Administration inherited. Carter came to office in January 1977 with an outline policy and with the lesson bequeathed by Kissinger that the best hope lay in Egyptian-Israeli bilateral agreements. Although the President gave top priority to Middle East peace, it has taken him more than half of his term to get as far with it as he has. He might not have achieved this much, had it not been for the twin goads of the crumbling of the Shah's power in Iran during 1978 and the parallel Soviet-Cuban advances in Africa. These gave peace new importance in American strategy. It became urgent to protect Saudi Arabia, free Egypt from the toils of its conflict with Israel and turn it round to face the threats from the African continent.

Lack of alternative strategies

Undoubtedly the United States was encouraged in its diplomacy by the absence of alternative initiatives. The Russians reiterated at every opportunity their formula for peace—Israeli withdrawal, Palestinian rights, and a conference of all interested parties (including themselves)—but proposed no credible way of implementing this programme, disqualified as they have been for some years by their lack of leverage over either Israel or Egypt. The EEC countries have been supine, preferring to wait in the wings while America played its hand, some of them not even refraining from unhelpful sniping.

On the Arab front, America faced nothing but squabbling and paralysing rivalries, denying all hope of a concerted Arab peace strategy. President Sadat had indeed a strategy, pursued consistently if with dramatic coups from the expulsion of the Russians in 1972, through the waging of the 'war to make peace' of October 1973, the disengagement agreements, the visit to Jerusalem of November 1977 and Camp David last year, to the signature of the Treaty in March 1979. But he did not take the other Arabs along with him.

Such were some of the complex factors which in 1978 persuaded Washington that peace could be imposed on the area; that a partial settlement between Egypt and Israel was the place to start; that opponents of such a settlement could be ignored (as they had been at the time of Sinai II); and that—although it could not be admitted—what the Arabs, trusting the outsider more than they trusted each other, really wanted was to have a peace process dictated to them. If it failed they could blame America, if it succeeded they would eventually, loudly protesting, join the bandwagon.

This scheme leaves America with the full responsibility for making further progress, while Arab nationalist honour remains unbesmirched. The test of the Treaty lies not in its text, but in its implementation—in other words, in American performance, in the making good of Carter's pledge that it is 'not an end but a beginning'.

Egypt's bid for power

Independence has always been a qualified notion for the states of the Middle East, except perhaps for the brief period at Nasser's zenith when he conceived of an Arab world truly free from great-power tutelage. His experiment ended with defeat in war and Egypt's resignation to dependence on the Soviet Union. That today the two most powerful states of the area, Egypt and Israel, should believe their national interests to be best served under American hegemony marks a return to something like the pre-Nasser era. Once again national sovereignty must accept its limitations under the shadow of an external power.

So far as Egypt is concerned, President Sadat loses no opportunity of expressing his satisfaction at bringing the United States in as full partners to the Middle East settlement. The recovery of Sinai and the mobilization of American support are seen—not least by himself—as his major achievements so far. He needs American leverage, wants to put it further to work in the upcoming negotiations, and acquiesces in the dependence this subjects him to. How might this programme affect Egypt's regional status?

A common view of the Treaty is that it marks a reassertion of Nile Valley nationalism: Egypt is putting its urgent domestic concerns before pan-Arab causes such as Palestine. On this argument, a radical reorienta-

tion of Egyptian goals is taking place, nothing less than the abandonment of that position of dominance inside Arab counsels which has been the main theme of inter-Arab relations since the Second World War. This is an attractive hypothesis, but too sweeping. True, Egypt is tired of unwinnable wars, needs a long period of retrenchment, and has emotionally distanced itself from Arab grievances. But all that this means is that charity begins at home, not that Egypt is reconciled to loss of status in the Arab family.

A more likely hypothesis is that the Treaty is Egypt's rebellion against the mendicant status forced upon it by the surge of revenues enjoyed by the oil producers since 1973–4. Together with the reverses Egypt suffered in the years of Nasser's decline—Syria's defection from the United Arab Republic in 1961, the Yemen war, the disaster of 1967—the oil bonanza tilted the regional balance of power away from Egypt towards Arabia. Egypt, with its weight of population, its industrial base, its millennia of nationhood, its unquestioned supremacy in intellectual, cultural and Islamic achievement, was reduced to touting its begging bowl round the village states of the Gulf.

Resentment of 'rich Arabs', a sentiment felt at many levels of Egyptian society, bred a determination in the leadership at least to rectify this unnatural state of affairs. Sadat's bold peace-making, his cavalier treatment of his former allies, his outrage when Saudi Arabia and Kuwait forsook him after Camp David, all suggest that he is making a bid to regain that Arab predominance which Egyptians feel is theirs by right. As Sadat has said, there can be no war without Egypt and there can be no peace without Egypt. The trips to Jerusalem, to Camp David and then to Washington to sign the Treaty are so many 'lessons' which his Arab critics have to learn and in their turn recite. This is not isolationism, but the will to reassert leadership.

Israel's bid for power

No doubt Mr Begin, too, sees the Treaty as a stepping-stone to regional supremacy, underpinned more formally than ever by the superpower ally (in the Memorandum of Agreement between the United States and Israel of 28 March 1979). Zionist planners have traditionally sought to integrate their policies with the strategic needs of a great power, the better to pursue their own national aspirations. The United States has replaced the British Empire, but the tactics remain the same. If Israel was militarily superior before the Treaty, its dominance is still more secure today.

To negotiate a separate treaty with Egypt, leaving Israel's hands untied on other fronts, was Mr Begin's 'historic' objective. In particular, the cherished goal was to eliminate the threat of war, while leaving open the biblical lands to the east to settlement and absorption. The one thing

Israeli politicians have sought to avoid at all costs is a commitment to define the eastern frontier of the state, characterized since the 1967 victory by a deliberate indeterminacy. Whether or not Mr Begin has won his gamble on this point is the crux of the debate about the Treaty. Arab critics point out that even if the timetables outlined in the Sadat-Begin letter to Carter on Palestinian autonomy appended to the Treaty, and in the more far-reaching Camp David 'Framework of Peace', are adhered to, it will be 1982–3—the third year of the transitional period—before any negotiations on boundaries and the final status of the West Bank and Gaza need take place. Moreover, there are common-sense reasons for anticipating delays and obstructions, with the result that these central problems may not be resolved for the best part of a decade, affording constant opportunity for chicanery. If this proves the case, Israel will have won long years in which to create further 'facts', and Mr Begin will have been justified.

Alternatively, Sadat's defenders argue that never before has Israel bound itself to any timetable, however long drawn out, and that henceforth the super-power ally will be a party to the talks, and one not batting unconditionally on the Israeli side. Indeed, America's need to protect its peace plan, as well as its other interests in the Arab world, seem likely to lead to a confrontation with Israel on the crucial questions of land, water, settlements and boundaries. On this reading of the future, Mr Begin has set a trap for his successors.

To recapitulate, in their peace-making the United States, Egypt and Israel are all motivated, at least in part, by a desire to impose their will on the region. Peace for the sake of peace is of course desirable, but power, whether from a global or regional vantage point, is a still more seductive prize.

The Arab opposition

All three states may fail in their respective bids, and the Treaty itself may end up as so much waste-paper. Many earlier grand designs for the area have foundered on the rock of inter-Arab contradictions, and this one may follow that lugubrious precedent. Opponents of the Treaty are as interested in power as Egypt or Israel, and it is precisely in its pursuit that they are rebelling against the Washington–Cairo–Jerusalem *diktat*. They see something arrogant, insensitive and essentially imperialistic in a super-power and its local clients reordering relationships in the Middle East.

Already the American-Egyptian-Israeli power play has brought about a development full of potential danger for the peace process. This is the Syrian-Iraqi axis, a regrouping of forces in Arab Asia which it has been Egypt's traditional policy since the 1940s to prevent. President Sadat believed that the ten-year-old hostility between these two Ba'thist

regimes would keep them apart, and that singly and divided the Arab states would be drawn irresistibly into the wake of his peace initiative. But he was wrong. The new axis has stemmed his momentum and, acting as both a magnet and a threat, has prevented Jordan and Saudi Arabia, the key floating voters in the settlement ballot, from declaring for him.

However, Jordan's pique derives from Egypt's calm assumption that it has a right to preside over Palestinian destinies. Reluctantly in 1974 King Hussein conceded PLO legitimacy, but in the firm conviction that, at the end of the day, it would be he and he alone who would reunite the Jordanian 'family'. The Treaty could lead either to Palestinian self-rule indefinitely under Israeli control, or ultimately to Palestinian independence. Either way, Hussein would be robbed of his ambition, and this prospect has driven him into vociferous opposition.

Saudi Arabia, too, has suffered a painful downgrading. Between 1974 and Camp David, the kingdom enjoyed a kind of Arab supremacy, conferred on it by its role of paymaster to the combatants. Egypt and Syria were both dependent on its largesse, while Iraq, the third major contender for regional influence, was confined to the margin of Arab affairs. Saudi Arabia developed a sober, sagacious persona as the arbiter and consensus-finder of inter-Arab disagreements. The Treaty (and the Iranian revolution) have shown up the fragility of this posture. Sadat has acted as if Egypt needed Saudi Arabia less than Saudi Arabia needed Egypt, while the new Syrian-Iraqi grouping constitutes such a threatening presence that the kingdom must compose with it. In the new circumstances, Saudi Arabia's old alliance with the United States has thrown the Saudis on the defensive. Little wonder that they are finding it hard to adapt to this sudden change in their political fortunes.

Syrian discontents

Syria is perhaps the main victim of the Treaty, in that Egypt's defection leaves it uniquely exposed to Israeli power and stripped of leverage for the recovery of its lost territory (which is nowhere mentioned in the Camp David or Treaty documents). As Egypt's ally in war, Syria's resentment at this shabby treatment runs deep.

Syria has long feared an Egyptian 'betrayal'. The seeds of disagreement between the two countries were sown in 1973 when Egypt concealed from its partner the limited and essentially political nature of its war aims. Syria wanted a war of vengeance and territorial recovery, Egypt, with a more sophisticated awareness of what was possible, 'a war to make peace'. They parted company over the second Sinai disengagement agreement of September 1975, a withdrawal of Egypt from the battlefield foreshadowing its present formal renunciation of war.

However, Egypt's disengagement gave Syria a power opening. It intervened forcibly in the Lebanese conflict to keep the peace, not hesi-

tating to turn its guns on Palestinians in the process. This military expedition served notice on the world that Syria was laying claim to be the dominant power in Arab Asia, alone able to protect the minorities and act as guarantor of Palestinian good behaviour. The implicit argument was that, if and when Israel withdrew to the 1967 frontiers, Syria would be both willing and able to maintain order on these frontiers by extending its influence over Lebanon, Jordan and the autonomous Palestinian entity of the future. But such 'Greater Syrian' ambitions, even in the very tentative form in which they were advanced, were sufficient to arouse the alarm of Egypt, Iraq, Saudi Arabia, and, of course, Israel itself. Syria's peace strategy (for this is what it amounted to) postulated an accretion of its power at others' expense. In consequence, it never really got off the ground.

In contrast with those years of glory (1975–7), when its influence was at its height, Syria is today reduced to being Iraq's junior partner, a defensive arrangement which affords Syria little real protection. At the time of writing, President Assad was contemplating withdrawing his forces from Lebanon, fearful of their being involved in an Israeli action there. Moreover, the alliance with Baghdad has brought Iraq to the heart of Arab Asia, an eventuality which Syrian policy has previously sought to prevent. This reduced and enfeebled status is one reason for Syria's unmitigated condemnation of Sadat.

In the opposition ranks, Iraq appears the main beneficiary of the power realignments triggered off by the Treaty. The ostracism of Cairo allows its old rival, Baghdad, to play an influential role in Arab affairs such as it has not enjoyed since the overthrow of Nuri al-Said and the Hashemites 21 years ago. It was not an accident that Baghdad was the venue for joint Arab action against Egypt, nor that Iraqi diplomacy provided the driving force, in particular the implicit threat, which has brought Saudi Arabia and the Gulf states into line.

And what of the Palestinians, the centre of the problem, but whose aspirations to statehood have first priority only for themselves? Palestinians living in the occupied territories are offered undefined autonomy under Israeli tutelage for a transitional period with a promise, made at Camp David, of further negotiations to determine their final destiny. Self-determination is not precluded, but the odds are heavily weighted against it. Palestinians outside the territories are offered nothing save that 'acceptable' representatives of this diaspora may be invited to join the Egyptian delegation—and the Jordanian, if there ever is one.

The PLO is nowhere mentioned in the documents, and has been repeatedly, explicitly and vehemently rejected as a potential interlocutor by Mr Begin. True, President Carter has offered to deal directly with the PLO just as soon as it accepts Resolution 242 and recognizes Israel's right to exist. But what is such an offer worth in the light of Camp David and

the Treaty? It is like asking the leopard to change its spots with precious little inducement for such painful surgery. Although stateless, Yasser Arafat's organization is a rich and powerful pressure group, with military forces, an international network of representatives and political influence which many sovereign states might envy. Although defeated by Jordan in 1970, then by Syria in Lebanon in 1976, its potential for revolutionary action is great enough to be a cause for concern to many Arab states, particularly in the light of events in Iran. To ask this potent, forceful, free-wheeling outfit meekly to submit to the tender mercies of Israeli, Egyptian and possibly Jordanian overlords is like inviting Ronald Biggs to come back to prison while his case is reviewed by distinctly unsympathetic officers of the law. Nothing in the PLO's experience in the hostile world of Arab politics in the last decade has prepared it to run a petty municipality under enemy control. No less than the states opposed to Sadat, the PLO enjoys what power it now has, and prefers the status quo —however unsatisfactory—to subjection to the *diktat*.

All these opponents of the Treaty (Arafat included) want peace. Their rhetoric expresses their fury that Egypt's signing of the Treaty has undermined their negotiating stance, reducing, they would say eliminating, the chance of an Israeli West Bank withdrawal; but to some extent it also represents their opening bids in a possible next round of haggling. If President Carter is to honour his personal pledge to work for a comprehensive settlement, he must confront Israel in the autonomy negotiations and then create for the excluded parties a whole new framework of talks and agreements, to take account not only of their desire for peace but also of their national self-respect. It is a tall order. Sadat has said this is 'Jimmy's show'. Poor Jimmy!

The super-powers and regional 'stability': parallel responses to the Gulf and the Horn

MOHAMMED AYOOB

THE crisis in Iran leading to the unceremonious departure of the Shah from Tehran and the crumbling of the old order is only one—although currently the major—manifestation of the process of change (or instability) that seems to be sweeping the strategic areas of the Gulf and the Horn. In fact, the recent happenings in Iran epitomize the problems that are faced, actually or potentially, by most parts of the Third World. These problems basically relate to the incapacity of ruling élites in the Third World to find adequate responses to the demands for political participation—whether at the level of individuals, social strata, class, ethnic or religious communities or nationalities—thrown up by the process of economic and social transformation which accompany the introduction of modern modes of production (technology) in selected sectors of society. Unfortunately, such selective modernization is usually not accompanied by the growth of viable political institutions and a more equitable distribution of social and economic values to individuals, groups and communities encompassed by the boundaries of a particular political entity.

However, to understand these recurrent crises (and they are likely to become more frequent in the future) one must look not only at the domestic reasons for the inadequate response of those who preside over the fragile political systems in the Third World and the great obduracy with which they cling to power, but also at the international support of these élites without which their days in power would be drastically curtailed. To get the total picture in its proper perspective, therefore, we must also understand the commitment to particular regional status quos, inadequately termed 'regional stability', on the part of the external mentors of the local power élites and their responses to local crises. It is this linkage between the interests of order within the international system valued by the super-powers (since more often than not it protects their own strategic and economic interests), and the preservation of local privileges—economic, social and political—cherished by narrowly-based élites in the Third World, which forms an interesting field of analysis

Dr Ayoob is Senior Research Fellow in the Department of International Relations, Research School of Pacific Studies, Australian National University; author of *The Horn of Africa: Regional Conflict and Super-Power Involvement* (Canberra: Strategic Defence Studies Centre, ANU, 1978).

and renders intelligible a large number of international phenomena which otherwise would defy rational explanation.

Despite the differences in emphasis and rhetoric and the deliberate nuances introduced into their policies by the Soviet Union and the United States, there is a degree of similarity in the substance of their policies and in their approaches to the question of order versus justice in the Third World which is certainly not merely a matter of coincidence. This similarity is probably nowhere more in evidence than in the remarkably parallel attitudes adopted by them to the recent crises in the Horn of Africa and the Persian Gulf. In these volatile regions of the Third World, the two super-powers—the United States in the case of Iran and the Soviet Union in the case of Ethiopia—firmly came down in favour of the established political order and against the demands of political and economic justice.

Iran and the United States

In the case of Iran, the United States put its full diplomatic and military weight (the latter at one remove) behind the Shah to stem the tide of change and preserve the old order. It is worth recalling at this stage that in 1953, when a similar situation arose in Iran, threatening to upset the old order and to deny strategic advantage to the United States and its allies in that part of the world, the CIA actively intervened to re-establish the Shah on the Peacock throne. Since then Tehran had been a dependent and dependable ally of the West in general, and the US in particular. Despite occasional differences aired in public, particularly in the 1970s, on the question of oil prices and related matters (and this appears to have been done deliberately in order to project an independent image of the Shah for the consumption of the Third World), Iran under the Shah not only never threatened vital American interests but, in fact, acted as the guardian of these interests in the oil-rich Gulf.

The strategic importance of Iran to the United States and its allies became very evident in the late 1960s with the British decision in 1968 to withdraw from the Gulf, and, even more, with the enunciation in 1969 of the Guam Doctrine by President Nixon. This doctrine envisaged the creation of regional centres of power in Asia, linked in a symbiotic relationship with the US, which could act as the local gendarmes in their regional environment in order to protect and defend the economic and strategic interests of Washington and its allies. The Guam doctrine emerged out of the American experience in Vietnam which led US policy-makers to conclude that the best way to defend American and Western interests in the Third World was not a direct, physical commitment on the part of the United States itself but the creation of local surrogates who would act on its behalf to preserve the strategic and economic status quo wherever it was to American advantage.

It was decided to build up Iran as the prime example of this US strategy. It was no wonder, therefore, that, according to officially disclosed American figures, US arms supplies to Iran between 1972 and 1976 totalled $10·4 billion.[1] The transfer of arms to Iran included some of the most sophisticated equipment in the US armoury such as the F-14 fighter and the DD 993 modified Spruance class destroyer. In fact, some of the equipment was so modern that it had not even been deployed in the US armed forces themselves. On the basis of these facts and figures, a US Senate Staff Study came to the conclusion in 1976 that 'Upon delivery between now [1976] and 1981 of equipment ordered to date, Iran, on paper, can be regarded as a regional super-power'.[2]

The US objective in thus equipping Iran to play the role of a regional super-power was clearly stated in the Jackson Committee report on 'Access to Oil'. This Committee (formally known as the Committee on Energy and Natural Resources of the US Senate, with Senator Henry M. Jackson as its Chairman) pointed out that 'Iran is the second largest OPEC producer. It has also assumed the role of protector of the conservative tradition in the Gulf, guarantor of the oil sea-lanes and it has gone about creating the military capability for these roles. Internal Iranian economic and political developments, as well as the external objectives of the regime, are also of concern as they may affect the continuous flow of oil'.[3] The report went on to conclude that 'if Iran is called upon to intervene in the internal affairs of any Gulf state, it must be recognized in advance by the United States that this is the role for which Iran is being primed and blame cannot be assigned for Iran's carrying out an implied assignment'.[4]

The recent domestic upheaval in Iran was, therefore, viewed by the US not merely as adversely affecting its interests in that country, but also as potentially disastrous for US interests in the entire Gulf region. For, if Iran underwent a genuine transformation both in its domestic political system and in its foreign-policy orientation, this conversion of the local gendarme into the first domino in the Gulf could be highly destabilizing for the anachronistic regimes of the Gulf Sheikhdoms on the one hand and Saudi Arabia on the other. It is no wonder, therefore, that Washing-

[1] US Senate, Committee on Foreign Relations, *US Military Sales to Iran*, a Staff Report to the Sub-committee on Foreign Assistance, July 1976, Washington, D.C., 1976, p. vii. For a more detailed discussion of US arms transfers to Iran and their effects on the politics of the Gulf, please see the section on the Persian Gulf in Mohammed Ayoob, 'The Indian Ocean Littoral: Intra-Regional Conflicts and Weapons Proliferation', in R. J. O'Neill (ed.), *Insecurity: The Spread of Weapons in the Indian and Pacific Oceans* (Canberra: ANU Press, 1978), pp. 182–217.

[2] *ibid.*, p. viii.

[3] US Senate, Committee on Energy and Natural Resources, *Access to Oil: The United States Relationships with Saudi Arabia and Iran*, Washington, D.C., 1977, p. x.

[4] *ibid.*, p. 84.

ton's endorsement of and support for Iran's Emperor appeared to be almost unwavering until it had become clear to all concerned that the Shah had to go if US interests, or what was left of them, were to be preserved in Iran.

The Soviet Union and the Horn of Africa

It is interesting to note that, while the US was occupied with protecting an Emperor in the Gulf, the Soviet Union was as intensely occupied in preserving an Empire in the Horn of Africa. The only substantive difference that marked the parallel efforts of two 'managers' of the international system lay in the fact that, while the US was primarily concerned with the task of maintaining an unpopular regime which had been disowned by large sections of Iranian society, the Soviet Union was no less concerned with the doubly difficult task of preserving an equally unpopular regime and at the same time preserving the Ethiopian empire's territorial integrity.

The Soviet effort in the Horn over the last couple of years has been, if anything, much more dramatic than the American involvement in the Gulf. It has involved not merely the supply of approximately $1 billion worth of weapons to Ethiopia but also the airlift of 10,000 to 12,000 Cuban troops between November 1977 and January 1978 in a massive effort to prevent the disintegration of the Ethiopian empire and to reverse the trend in the Ogaden war between Ethiopia and Somalia.[5] Also, Moscow has been, at least temporarily, more successful in achieving its objective in the Horn than has been the US with its policy in Iran.

The Soviet support for the status quo in the Horn has not only flown in the face of Moscow's earlier support for Somalia, the main challenger of the status quo in the Horn, but also seems contrary to demands for political justice in that region. The Somali offensive in the Ogaden, however miscalculated and mistimed it might have been, was the logical outcome of the Ethiopian annexation of Somali-inhabited territory in the late nineteenth century, Addis Ababa's persistent maltreatment of its Somali subjects and, finally, the refusal of the 'revolutionary' regime which succeeded Emperor Haile Selassie to take into account the demands for autonomy and national identity voiced by the Ogaden Somalis under the banner of the WSLF (West Somali Liberation Front).[6]

[5] For details of the Soviet involvement, see James Mayall, 'The battle for the Horn: Somali irredentism and international diplomacy', *The World Today*, September 1978, pp. 336–45, and Lawrence Whetten, 'The Soviet-Cuban presence in the Horn of Africa', *RUSI*, Vol. 123, No. 3, September 1978, pp. 39–45.

[6] For a detailed discussion of Ethiopian imperial exploits in the Horn and the Somali response, see I. M. Lewis, *The Modern History of Somaliland: From Nation to State* (London: Weidenfeld and Nicolson, 1965); John Drysdale, *The Somali Dispute* (London: Pall Mall Press, 1964); and Mohammed Ayoob, *The*

The Ethiopian refusal to countenance these demands was equal in its intensity to Addis Ababa's similar refusal to accommodate Eritrean aspirations to autonomy and independence. Despite the revolutionary rhetoric of the 'Dergue' which succeeded the Emperor in Addis Ababa, the imperial policies of the old regime towards the Ogaden or Eritrea were left virtually unchanged; if anything, they were pursued with redoubled vigour. The new regime, lacking legitimacy either on the basis of popular support or 'divine right' like the House of Solomon, was forced to take extreme stands on the question of the empire's territorial inviolability in order to drum up some support for itself and establish its credibility at least in the Christian Amharic heartland of Ethiopia.[7]

The deep Soviet involvement with this regime is a phenomenon which can be explained in terms of Moscow's geo-strategic objectives relating not merely to the Red Sea/Horn area but, even more importantly, to the Middle East. The recent diplomatic reversals suffered by the Soviet Union in the Middle East, particularly in its relations with Egypt, have forced it to find surrogates in areas peripheral to the central arena of Middle Eastern politics. The Horn has, therefore, loomed large in Soviet calculations. Somalia, the traditional ally of the Soviet Union in the Horn, however, was too small, too weak, too 'Arab' and too undependable (involved as it was in close relations with Saudi Arabia) to fill that role. The change of regime in Addis Ababa, which had been traditionally the US outpost in the region, and the apparently Marxist predilections of Ethiopia's new rulers provided Moscow with the opportunity it was looking for to teach President Sadat and his mentors a lesson. In this frame of mind, and disregarding the balance of popular local forces, the Kremlin decided to change horses in mid-stream and exchange a dependent and dependable Ethiopia for its increasingly irksome Somali ally.[8] In the process it acquired all the liabilities with which the Ethiopian empire had been burdened, primarily the nationalist uprisings in Eritrea and in the Ogaden. And while, for the moment, it seems to have been able to put Humpty-Dumpty together again, it may have acquired in the process its own Vietnam and may, in the years to come, find its position

---

Horn of Africa: Regional Conflict and Super-Power Involvement, op. cit. For, an interesting legal perspective on the issues involved in the Somali-Ethiopian dispute, see W. Michael Reisman, 'The case of Western Somaliland: an international legal perspective', *Horn of Africa*, Vol. 1, No. 3, July–September 1978, pp. 13–22.

[7] An excellent analysis of the true character of the present regime in Ethiopia, its lack of a popular base despite its Marxist rhetoric, and the internal challenges to the Dergue is found in John Markakis and Nega Ayele, *Class and Revolution in Ethiopia* (Nottingham: Spokesman for the Review of African Political Economy, 1978).

[8] For a detailed account of the shift in international alignments in the Horn see Mohammed Ayoob, *The Horn of Africa, op. cit.*

in the Horn become as embarrassing and untenable as was that of the US in Indochina in the later years of the Vietnam embroglio.

Parallel responses

To sum up thus far, both super-powers, in their own ways, were committed to the respective status quos in the Gulf and the Horn—with both status quos unjust in their political, social and economic ramifications. While one super-power was busy protecting the interests of a decadent monarchy, the other was equally busy protecting the interests of a 'revolutionary', but no less decadent, empire. Even more interesting than this parallelism in American and Soviet policies towards their clients in the Gulf and the Horn was the almost parallel response of the two super-powers to the events taking place in the 'sphere of influence' of the other party. The Soviet reaction to the political explosion in Iran was, to say the least, circumspect. Moscow was very wary of embarking upon any course of action that might irrevocably alienate the Shah until the point was reached when it became clear that Washington had itself decided that it was time for the Shah to go if residual Western interests in Iran were to be preserved. It was only then that Moscow came out with open denunciations of the Iranian monarch and the regime over which he presided. Until that point was reached, the Soviet Union was much more concerned about preserving its economic links with Iran (steel for gas, etc.) and maintaining a correct stand vis-à-vis the Shah than with supporting what was an outburst of truly revolutionary activity in the Iranian cities. A major reason for Soviet circumspection must have been the 'native' character of the Iranian revolution based as it was upon the twin pillars of Islamic fundamentalism and middle and working class revulsion against the political and economic inequities of the Pahlavi regime. Given the concentration of Muslim populations across the border in the Central Asian Republics of the Soviet Union and the rumblings of discontent occasionally heard in that quarter, the Kremlin seems to have felt more than a little apprehensive at this 'native' revolution, which couched most of its symbols in religious terms. For once, Moscow must have realized that ideas and ideologies can cross political boundaries in both directions. In these circumstances, to the old men in the Kremlin, the Shah must have appeared a much more palatable adversary than Ayatollah Khomeiny since the former, despite all the bases he had presented the Americans with, could only *monitor* what was going on in the Soviet Union and not *influence* Soviet events as the latter was, at least potentially, capable of doing. As an editorial in the *Washington Post* pointed out very succinctly: 'If the turmoil in . . . Iran disturbs Western ministries anxious for peace and stability in the world it must equally disturb the Soviet foreign ministry. For all the conflicts which tear the Soviet Union's southern neighbours, including the conflicts with Islam, have their mirror-image inside the Soviet frontier. As one of the most

conservative states on earth the Soviet Union can have no wish to be torn internally by the type of semi-religious fanaticism which it observes next door.'[9]

The American reaction to recent events in the Horn of Africa was even more illuminating. Washington's response to the Soviet-Cuban build-up and the subsequent counter-offensive against the Somalis in the Ogaden, ostensibly hamstrung by the apparent 'legitimacy' of Soviet actions, particularly in the context of the OAU endorsement of Ethiopia's 'traditional' boundaries, did not go much beyond President Carter's statement accusing Moscow of sending 'excessive quantities of weapons' to Ethiopia and of 'unwarranted interference in the area'.[10] The only concrete contribution that the US made was in the last days of the Ogaden war when the Somali retreat had almost turned into a rout. Washington was then able to negotiate a formula with Moscow which allowed Mogadishu to withdraw its forces from the Ogaden while, at the same time, guaranteeing Somalia's territorial integrity. The formula consisted of a pledge given by the Soviet Union that it would prevent its allies from crossing the international frontier into Somalia if the Somalis withdrew their regular forces from the Ogaden immediately.[11]

American inaction in the Horn when it came to the crunch was particularly striking because of the earlier signals sent by the US to President Siad Barre of Somalia. These signals, including one sent through Dr Kevin Cahill, Barre's long-time American physician, had led the Somali leadership to believe not only that Washington was willing to replace Moscow as Somalia's major arms supplier but also that it looked upon a Somali offensive in the Ogaden with a considerable degree of favour. As it turned out, the Somalis were quickly disillusioned on both scores, and at considerable cost in men and material to themselves. While some of the signals sent to Mogadishu might have been premature and the result of differences within the US Administration itself,[12] the final outcome in terms of US policy fell nothing short of endorsing the regional status quo which, long preserved with the aid of the United States, was this time restored with the help of Soviet and Cuban arms.

Conclusions

The foregoing analysis of recent events in the Gulf and the Horn leads us to some interesting conclusions. First, the super-powers' commitment to the concept of détente in East–West relations is strong enough to prevent any serious involvement on the part of either of them in what

[9] 'Islam and a swathe of instability', reproduced in the *Guardian Weekly*, 7 January 1979.

[10] *New York Times*, 13 January 1978.

[11] For details of US policy towards the conflict in the Horn, see Fred Halliday, 'US Policy in the Horn of Africa: aboulia or proxy intervention', *Review of African Political Economy*, No. 10, September–December 1978, pp. 8–32.

[12] Mayall, *loc. cit.*, p. 341.

has come to be generally recognized as a sphere of influence of the other party. These spheres of influence might change hands, as the Ethiopian case has demonstrated, but such changes are brought about primarily by internal forces over which neither Washington nor Moscow has any appreciable control. In this connexion, even at the risk of diversion, one must point out that the charges of Soviet involvement in Angola at the expense of super-power détente have been completely misplaced. These charges not only ignore the earlier American involvement both in terms of support for the Portuguese colonialists and the simultaneous, if not earlier, US involvement in conjunction with South Africa in favour of the anti-MPLA forces;[18] more importantly, they ignore the objective reality within Angola itself where, as a result of years of nationalist guerrilla warfare as well as the 1974 revolution in Portugal, by 1975 the status quo had been transformed beyond recognition. This change was, once again, brought about primarily by internal forces—Angolan and Portuguese—and it was only when it became clear that the old status quo was dead and gone and a new status quo was in the process of being imposed with the help of South African arms, that the Soviet Union intervened in the former Portuguese colony in a big way. The lessons of Angola, therefore, do not in any way detract from the validity of the above thesis which has been more than adequately demonstrated by the circumspection and caution shown by the United States in relation to the Horn on the one hand and the Soviet Union in relation to Iran on the other.

The second conclusion that emerges from this analysis is the fear of 'native' change in the Third World on the part of the two super-powers. This fear is shared in almost equal proportion by them. While one does not need to enlarge on American apprehensions on this score, since they have been more than adequately demonstrated elsewhere, from Chile to Vietnam, the Soviet apprehension in relation to Iran, however cleverly shrouded in revolutionary rhetoric, is worth some consideration. Given the character of the Iranian uprising and the devolution of its leadership into the hands of Ayatollah Khomeiny and the Shia clergy, Moscow's uneasiness over events across its southern borders can be explained to a large extent in terms of the demonstration effect it might have on the Soviet Central Asian Republics. But this is not all. Like all self-styled fountain-heads of revolution, Moscow feels very ill at ease in the company of revolutionaries it has not created and whom it cannot control. One has a lurking suspicion that the Kremlin would not have experienced a feeling of unalloyed delight while endorsing the views of Nourreddin Kianourie, the new leader of the Tudeh (Communist) party, expressed in an interview in *Newsweek*, that 'The Tudeh Party recognizes the objectively pro-

[18] For an illuminating first-hand account by the former Chief of the CIA Task Force on Angola which supports this contention, see John Stockwell, *In Search of Enemies: A CIA Story* (New York: Norton, 1978).

gressive elements of his (Khomeiny's) movement. And we are doing everything we can to develop a common language with him. We feel that he is playing a totally progressive part in the development of Iran'.[14]

In short, it appears that neither super-power can contemplate autonomous political transformation in the Third World with any degree of equanimity. In fact, this refusal to countenance such indigenous change and to give the local forces their due—for good or evil—is demonstrated most clearly in the alacrity with which Washington sees a Russian behind the bush of any and all Third World revolutionary activities and in the similar tendency of Moscow to blame the US for every setback it suffers in its relations with countries of the Third World. Nowhere is this refusal to accept the autonomy of the dynamics of change in the Third World more apparent than in the questions usually posed in the top decision-making circles in the US—and one is quite positive of a parallel process operating in the Soviet Union ('who lost Egypt?', 'who lost Somalia?')—after every major setback suffered by Washington in various parts of the Third World. To the questions 'who lost China?' and 'who lost Vietnam?' has now been added the query 'who lost Iran?'—as if Iran (or China or Vietnam) was anyone's to lose.[15]

And last, but not the least, the parallel policies of the United States and the Soviet Union in relation to the Gulf and the Horn demonstrate the equally strong commitment of both super-powers to regional 'stability' (a euphemism for status quo, however unjust it might be) and to an ordered world which they can manage if not completely control for their own benefit.

[14] *Newsweek*, 29 January 1979, p. 56.

[15] A major example of such an effort to apportion 'blame' for the success of the Iranian revolution is Henry Kissinger's interview published in *The Economist*, 10 February 1979.

The UN Special Session on Disarmament—retrospect

PHILIP TOWLE

EVER since the Nehru era many Third World countries have fulminated at the United Nations against the arms race between Nato and the Warsaw Pact. The meetings of the First Committee of the UN each year give them an opportunity to explain the reasons for their hostility to foreign military bases, Great Power naval rivalry and other aspects of the arms race which they consider a threat to their interests and security. But the actual arms control negotiations between the United States and the Soviet Union and their allies go on at their own pace, apparently unaffected by what happens at the UN. The Special Session on Disarmament, held by the United Nations in May and June 1978, was born of the frustration caused by this situation. The developed states initially reacted without much enthusiasm to the idea of holding such a Session, seeing it as giving the non-aligned countries another opportunity for attacking their security policies. But they also quickly realized that the Third World countries were serious about the proposal and that their numerical dominance at the UN made it certain that it would be held.

The developing countries have also discovered in recent years that they have one bargaining counter for use in the disarmament discussions against the major military alliances. Both the United States and Russia have clearly shown that they do not want to see the emergence of many more nuclear weapon states and that they wish to preserve the 1968 nuclear Non-Proliferation Treaty. Thus in the background to the Session was the threat by the developing countries that they might, in some undefined way, damage the non-proliferation regime, unless the nuclear weapon states in particular did something to meet their criticisms of the arms race. The threat was perhaps a difficult one to implement; amongst the first states to proliferate if the non-proliferation regime broke down completely would be those doubtful friends of the Third World, South Africa, Taiwan and Israel. Moreover, the more the threat is used, the tighter the states which supply nuclear material for peaceful purposes will make the safeguards governing such supplies to prevent their use in weapons programmes. Nevertheless, the threat was sufficient to persuade the nuclear weapon states to make an effort to avoid the breakdown of the Session, such a breakdown being defined by the inability to reach agreement on a final document.

Dr Towle is a Senior Research Fellow in the Strategic and Defence Studies Centre of the Australian National University.

The developed states argued that much was already being done to bring the nuclear arms race under control and that, if the results of the Strategic Arms Limitation and Comprehensive Test Ban talks were unsatisfactory or too slow, this was because of the difficulties inherent in the negotiations. For the Western countries the threat to world order appeared to come most directly from the Southern hemisphere where most of the wars since 1945 have been waged, hence the emphasis they placed on regional arms control, world-wide confidence-building measures and nuclear non-proliferation. Their attitudes towards nuclear weapons were ambivalent since they recognized that nuclear deterrence had preserved peace in the Northern hemisphere since 1945, while wishing to discourage other states from acquiring such weapons. Conversely, the leading Third World countries—India, Pakistan, Mexico, Yugoslavia and Brazil—went to the Special Session determined that the emphasis should be placed on the urgent need to halt the nuclear arms race and that the stress on conventional disarmament and nuclear non-proliferation should be kept to a minimum. Given these opposing positions, it says something for the skill of the negotiators and for the need which some of them felt to reach agreement, that a final document was actually produced. The 54-nation preparatory committee for the Session held two meetings in the Spring of 1978 to draft such a document but failed to reach agreement.[1] Indeed, up to the last 24 hours of the Session itself there was no certainty that agreement would be reached.

Key issues

Because of the positions of the major military alliances and of the Third World states, the key issues were nuclear disarmament and non-proliferation. The developing countries insisted that the final document should make clear that mankind was threatened with extinction because of the nuclear arms race and because 'enduring international peace and security cannot be built on the accumulation of weaponry nor be sustained by military alliances, doctrines of strategic superiority or a precarious balance of deterrence'. The most heated and protracted negotiations took place on that part of the final document devoted to a programme of action on future disarmament measures. The developing states demanded that nuclear disarmament measures should be given 'the highest priority' and that the steps which should be taken to bring about nuclear disarmament should be listed. The steps included the cessation of the production of all types of nuclear weapons and their means of delivery and of fissionable materials for weapons purposes, to be followed by reductions in the stocks of nuclear weapons. Because of the atmosphere in which the

[1] Volume 1 of the *Report of the Preparatory Committee for the Special Session of the General Assembly Devoted to Disarmament* contains the draft final document as it stood before the Session began.

negotiations were held and the unwillingness of the nuclear weapon states to be thought to be holding up these objectives, few were prepared to expand on the awesome problems which nuclear warhead disarmament would really involve. The Russians have shown no sign of being willing to accept inspection by the International Atomic Energy Agency even of their civil nuclear reactors, yet inspection of their nuclear installations would be essential before even the simplest measure, a cut-off in the production of fissionable material for weapons, could be verified. It is even less likely that they would permit verification of the destruction of stocks, as they showed in 1965 by rejecting the United States' offer of verified reductions in token numbers of nuclear weapons. The measures laid down in the final document are described as 'urgent', but when real nuclear disarmament is as far away as this, it is clear that the gap between the proclaimed objectives and reality had grown very wide.

Many Third World states reiterated the belief, fundamental to their bargaining position, that the horizontal proliferation of nuclear weapons could only be halted if the nuclear weapon states made greater efforts to stop vertical proliferation and to reduce their stocks. Pakistan and India might be bitterly opposed to each other over conventional disarmament but their ambassadors could sit cosily together when nuclear disarmament and non-proliferation were under discussion. No doubt because of its greater dependence on external supplies of nuclear equipment, Pakistan was more adamant that no restrictions should be placed on civil nuclear technology. As a result of its efforts, the final document states, 'non-proliferation measures should not jeopardize the full exercise of the inalienable right of all states to apply and develop their programmes for the peaceful uses of nuclear energy . . . each country's choices and decisions in the field of the peaceful uses of nuclear energy should be respected. . .' Since Pakistan, India, Brazil and others rejected the Non-Proliferation Treaty as inherently discriminatory, they were unwilling to see any favourable mention of the Treaty in the final document; while many developed states, such as Canada, were unwilling to agree to a document on disarmament which did not mention it. The outcome was a last minute agreement to a very pallid call for the full implementation of the Non-Proliferation Treaty and the Treaty of Tlatelolco, establishing a nuclear-free zone in Latin America—'adherence to such instruments has increased in recent years and the hope has been expressed by the parties that this trend might continue'.

Different formulæ

The Third World states have pressed since 1961 for the use of nuclear weapons to be declared a 'crime against humanity'. The nuclear weapon states have been torn between their desire to downgrade their nuclear weapons to discourage proliferation by agreeing to a declaration of this

sort, and their need to be able to threaten the use of such weapons to deter attack by another nuclear weapon state. The Western nuclear weapon states declared in 1954 that they would only use nuclear weapons against an aggressor and this pledge was repeated by President Carter at the United Nations in October 1977. In a speech on 25 April 1978 Mr Brezhnev made a similar sort of declaration: 'For its part, the Soviet Union unambiguously declares: we are against the use of nuclear weapons. Only extraordinary circumstances, aggression against our country or its allies by another nuclear power, can compel us to resort to this extreme means of self-defence.'[1] In his speech to the Special Session, Mr Gromyko used a different formula: 'The Soviet Union will never use nuclear weapons against those states which have renounced the production and acquisition of such weapons and do not have them on their territory.' The Russians have subsequently produced a draft Convention incorporating this formula, but it is unlikely to be attractive to the Western states which prefer their own form of words.

The British and Americans also made statements about the circumstances in which they would use nuclear weapons at the Session. Britain declared on 27 June that it would give 'the following assurance... to non-nuclear weapon states which are parties to the Non-Proliferation Treaty or other internationally binding commitments not to manufacture or acquire nuclear explosive devices; Britain undertakes not to use nuclear weapons against such states except in the case of an attack on the United Kingdom, its dependent territories, its armed forces or its allies by such a state in association or alliance with a nuclear weapon state.' The British and American formulae differ from their Soviet counterpart because the Russians exclude from their 'non-use' guarantee those states which have nuclear weapons on their territory, while the Western states exclude those states which carry out an attack as accomplices of a nuclear weapon state. Plainly the differences in the formulae used reflect the different approaches towards nuclear strategy; both assurances are too hedged about to satisfy the developing countries, although equally clearly only a limited forward movement is possible if the doctrine of deterrence is to survive.

Third World views

Outside the central battle on nuclear disarmament, the Indian delegation led the effort to limit the area of agreement on conventional weapons.[2]

[1] *Soviet News* (London), 2 May 1978. The text of the subsequent Soviet draft Convention on the use of nuclear weapons is contained in *Soviet News*, 12 September 1978.

[2] William Epstein in his article in *Survival*, November/December 1978, argued that the Indians wanted to see work begin this year on conventional disarmament and that the East European countries joined the non-aligned in wanting to give priority to nuclear over conventional measures of disarmament. Both these judgements are incorrect; one of the interesting aspects of the negotiations was

They opposed a proposal which the Pakistani delegation had evolved, no doubt with one eye to its position in South Asia, to define more clearly the nature of a 'zone of peace' so that it would not just exclude the forces of the Great Powers. According to this abortive proposal, regional states in such a zone would agree to measures 'involving mutual restraint on their military activities, the strengthening of confidence as well as methods of peaceful settlements of disputes, under conditions to be determined in accordance with international law and with which outside powers could be associated'. After blocking this measure, the Indians joined with the Soviet Union to oppose a whole series of proposals for UN studies of various aspects of conventional disarmament and they opposed any reference to confidence-building measures of the CSCE type, such as the advance notification of military manœuvres. They made clear that they were not prepared to institute such measures in their relations with their neighbours in South Asia.

On their side, the Western states opposed the insertion of the traditional non-aligned calls for the dissolution of military alliances and the abolition of foreign military bases. They said that they were prepared to accept a reference to the removal of foreign bases 'within the context of general and complete disarmament', but the non-aligned argued that this would put off the abolition of such bases indefinitely and preferred to have no reference to their proposal. This was one of the many issues on which no real compromise was possible except on the basis of a verbal quibble. The non-aligned have always maintained that military alliances and bases introduce the East–West conflict into areas from which it could be excluded, while the Western states could point out that, if each state had to be responsible for its own security, this would unleash an arms race which would dwarf all historical precedents.

Both the developed and the developing countries opposed the mention of disarmament measures which threatened to undermine their security. The developed states (and particularly Japan) evoked increasing resentment by their emphasis on the need to limit conventional arms transfers. The Indian delegation forcefully replied that such limitations would not affect arms transfers within alliances yet, in their view, it was precisely such alliances which were the main threat to world peace. The Chinese probably best expressed Third World views when they said that 'for the sake of strengthening their national defence, safeguarding their national independence and security, all countries have the right to acquire the necessary conventional weapons on an equitable basis. The super-powers must not be allowed to use the export of conventional armaments to subject other nations to interference and control, much less to incite conflicts and wars among nations.'

The Chinese had not participated in the preparations for the Session

that the Russians appeared to have moved closer to the Western position on balanced measures of nuclear and conventional disarmament.

but they behaved with dignity and restraint during the Session itself. They argued that the final document should emphasize their warnings against the hegemony of the super-powers and particularly the 'Social Imperialists' (their name for the Soviet Union) but, when the Russians rejected their proposals, they did not denounce the final document as a whole. Before the Session began, Mr Brezhnev made a number of proposals in a speech to the Young Communist League which became the basis of the Soviet position. In particular, he called for the cessation of the production of nuclear weapons, for a ban on new conventional weapons of high destructive power and for some sort of freeze on the conventional forces of the permanent members of the Security Council and their allies.[4] Mr Gromyko's speech was generally well received by the Third World delegations at the Special Session because the Soviet proposals looked impressive even if there was no likelihood that they would be put into effect. They did not impinge on the power of the developing countries and such states were not interested in their effects on the Sino-Soviet or East–West military balances. But what the Russians gained on this occasion, they subsequently lost in the negotiating groups by their insensitivity and lack of diplomatic tact. They needlessly offended many members of the Latin American group by putting forward amendments which would have excluded a reference to the 1974 Declaration of Ayacucho and only the persistence of the Venezuelan delegation made them relent. Similarly, they temporarily blocked a Nigerian proposal to train diplomats mainly from Third World countries on disarmament matters.

Apart from the United States and France, which pursued their own policies, the Western states achieved some degree of unity during the Session on most issues. France proposed the establishment of an International Disarmament Fund for Development to be raised by some sort of 'tax' on excessive military forces. But it was unclear how agreement could be reached on what forces were excessive, even if there was no dispute about the current composition of the forces of the various states. The Russians rejected the proposal out of hand perhaps because they feared that the French were trying to make them more open about their military activities. Neither they nor the Americans showed any enthusiasm for the other French proposal to establish an International Satellite Verification Agency to monitor disarmament agreements. The difficulties involved are clear since it would be impossible to reach agreement in an international body that a particular state's activities required investigation (unless it were a pariah state such as Taiwan or South Africa).

Balance-sheet

Aside from the negotiation of a final document, what did all the months of preparation and hours of debate at the Special Session achieve? It

[4] See note 2 above.

is doubtful whether they succeeded in persuading the United States and the Soviet Union to speed up their disarmament negotiations but, because of the nebulous nature of the threats to it, it is also unclear whether the Special Session damaged the non-proliferation regime. Where the nuclear weapon states had any 'slack' in their policies, the Session encouraged them to remove this to try to make the developing countries more tractable on non-proliferation. Thus the Russians announced that they would adhere to Additional Protocol II of the Treaty of Tlatelolco under which they would agree not to use, or to threaten to use, nuclear weapons against the parties to the Treaty. The French also announced that they would adhere to Additional Protocol I under which they would agree not to place nuclear weapons in any territory for which they were responsible in Latin America. Now that all the nuclear weapon states have said that they will adhere to the relevant protocols of the Treaty, it is nearer coming fully into force, although it is doubtful whether Argentina and Brazil will really allow this.

The other achievement of the Special Session was to modify the forum where disarmament agreements are negotiated in order to persuade the French to participate for the first time since 1962. The Russians wanted to preserve the Conference of the Committee on Disarmament (CCD) unchanged, while the French insisted that a new committee should be formed if they were to participate. The result of the protracted discussions at the Session, in which the British acted as 'honest broker', was that the final document referred to a Committee on Disarmament of which the existing members of the CCD should be members. The Russians were able to regard the Committee on Disarmament as the CCD under another name, while the French could regard it as a new committee. The non-aligned agreed to the package because room was left for China to participate, the number of members was increased and the co-chairmanship of the United States and the Soviet Union was abolished. Such changes have made the Committee more acceptable to the small members, although they will certainly not have reduced the tendency of the super-powers to negotiate agreements bilaterally and to present the other states with a fait accompli.

Given the nature of the 'threat' by the developing countries and the limited leeway possessed by the members of the two main military alliances to meet the threat, the results of the Session must be considered about as good as could be expected. The limitations of this sort of conference are determined by its nature. In large groups there is a natural tendency not to become involved in complicated defence questions. It is also difficult to explain defence policies except in terms of the 'threat' posed by others and yet such a discussion could easily degenerate into a mutual exchange of abuse of the sort which the Nato and Warsaw Pacts states have largely eschewed at the United Nations since the middle of

the 1960s. *Again, it is a conceit of many of those passionately committed* to disarmament that disarmament conferences are ruined by the presence of military advisers, yet it is clear that many of those attending the Session knew little about strategy or, for the reasons given above, were unwilling to talk about it. Consequently, the UN fosters a tendency to think about disarmament in terms of grandiose ethical statements, rather than the limited bargains by which, in the real world, states can improve their security. The developing countries proposed that the nuclear weapon states should undertake far-reaching measures of nuclear disarmament, while the nuclear weapon states could not explain why these measures were unacceptable or unworkable except by criticizing each other; as a result, the promises and declarations become ever more grandiose and ever more unrealizable. But then, that is the nature of the United Nations.

In pursuit of the Co-operative Republic: Guyana in the 1970s

EMBERT J. HENDRICKSON

FOR multi-racial Guyana the decade of the 1970s has become a most significant one in that nation's brief independent history. With the compelling questions of the 1960s—racial violence between East Indians and Africans and political instability—apparently contained, the Black-dominated Government of Prime Minister Forbes Burnham and his People's National Congress (PNC) served notice that the nation must move in new directions in order to resolve its varied problems and survive as a modern state. It is this manifesto that found expression in the establishment of the Co-operative Republic in 1970 which provides an understanding of Guyana's contemporary status and problems.[1]

In form, the change to a republic was to be relatively simple. The Governor-General, who was appointed by the Queen, was replaced by a President elected in the National Assembly. More consequential was the introduction of the co-operative approach in planning and development. Co-operativism represented an effort towards formulating both a national ideology and goals, allowing Guyanese a greater role in the economy 'to make the little man a real man', and creating a method of resolving some of the nation's acute socio-economic problems.[2] It was to provide a Guyanese alternative to the rival systems of capitalism and communism. The Opposition leader, Dr Cheddi Jagan, and his People's Progressive Party (PPP) denounced the changes as being merely of form and not of content. But government apologists cited examples from local history to support their assertion that the co-operative approach represented an expression of the historical and psychological make-up of the Guyanese people.

In an economy previously dominated by private and foreign interests, the public and co-operative sectors were soon to assume a dominant role. However, initially a more moderate approach characterized the Burnham Government as it proclaimed its objective of seeking joint rather than complete control of foreign enterprises. But as negotiations with the

[1] For background, see Embert Hendrickson, 'New directions for Republican Guyana', *The World Today*, January 1971, pp. 33–9, and R. S. Milne, 'Guyana's Co-operative Republic', *Parliamentary Affairs*, Autumn 1975, pp. 352–7.

[2] Forbes Burnham, *Control of Our Natural Resources* (Georgetown: The Government Printery, 1971). An address delivered on 23 February 1971.

The author is Professor of History at San José State University, California.

Canadian-owned Demerara Bauxite Company (Demba) faltered, the Government nationalized the entire operation, a decision also applauded by local opposition parties. Although the Prime Minister praised the acquisition of Demba as the nation's declaration of independence and 'the building of our form of socialism', there was still little evidence that large-scale nationalizations were imminent.[3] As for the co-operative sector, there had already existed a small number of co-operatives in Guyana. But now the PNC Government promoted their expansion, highlighted their importance and upgraded government agencies dealing with them, including the establishment of institutions for special training. Consequently by 1973 there were over 1,000 recognized co-operatives and a Ministry of Co-operatives and National Mobilization. Most of the initial enthusiasm was generated by PNC activists while East Indians remained suspicious or indifferent. The new emphasis also resulted in a new five-year development plan which focused upon the goal of enabling the nation to feed, clothe and house (FCH) itself by 1976.

The more controversial and dramatic innovations of the Republic's first years occurred in diplomatic relations. Its redefined national goals, coupled with a new sense of security on its frontiers following discussions with Surinam and Venezuela regarding boundary disputes, brought a reorientation to Guyana's diplomacy. A commitment to non-alignment began to surface in 1970 when discussions with the Soviet Union were undertaken to establish diplomatic relations and Guyanese attended the Third Summit Conference of Non-Aligned States in Zambia. During 1972 Guyana established relations with Cuba and China. The Georgetown Government then proclaimed it was the only independent Commonwealth Caribbean country which had diplomatic relations with every leading Communist state.[4]

PNC policies

Foreign policy, however, was soon overshadowed by the general election of July 1973 in which the PNC achieved its objective of obtaining a two-thirds majority in the assembly. Again as in the earlier election of 1968, the opposition parties alleged that there had been massive electoral fraud, but this time Jagan's party boycotted the assembly in protest against the irregularities. Following the election, Burnham's party, now enjoying a more secure political position than ever, expanded the public and co-operative sectors and accelerated efforts toward nationalization of the economy and mobilization of human resources. The domestic shift reflected not only the PNC's ideological stance and desire for unity but also a response to a faltering economy. During 1972 and 1973 a decline was recorded in the Gross Domestic Product while the annual growth

[3] *ibid.*; *New York Times*, 16 August 1970.
[4] *Guynews*, June 1973.

rate since independence had produced little improvement in the standard of living.[5]

The PNC formally announced its new policy, known as the Declaration of Sophia, at a Party Congress held in December 1974. It declared itself a socialist party and would assume 'paramountcy over the Government which was to be one of its executive arms'. The suggestion of the integration of the party and state, a concept indicating the establishment of a one-party state, evoked criticism from the opposition. Other goals included the drafting of a new Constitution, new conditions of land ownership, local investment and foreign trade, and reforming the national system of education.[6]

National unity was promoted in various ways. One divided the nation into six regions, each headed by a Minister. Besides serving to direct and co-ordinate development, the Minister would also provide the region with the direct representation lacking in the National Assembly. Another unifying measure involved the state acquiring control over all daily newspapers, except the PPP-owned *Mirror*. This occurred when the Government purchased the *Guyana Graphic*, the nation's major news publication. A third method established a programme of national service, which Jagan condemned as 'another diversion because of past failures'. Other critics suggested that national service was the Government's solution to the unemployment problem. The East Indians resisted participation in the programme, identifying it more with the PNC than with the national interest.[7]

A crucial stage in the nationalizations was reached in late 1974 with the acquisition of Reynolds Bauxite Company. Not only had Guyana acquired control of the bauxite industry, but it had seized a foreign investment owned by interests from the United States, the hemispheric power and Burnham's metropolitan sponsor. At a public rally, the Prime Minister warned that American aid and credits would be reduced. That did happen and Burnham turned more towards Cuba, China, and Third World nations. At this point identification with socialism also became more important in PNC rhetoric. During 1975 and 1976 the Government accelerated its policy of nationalization, and in 1976 a foreign giant fell when the vast and diverse holdings of Booker, McConnell and Company were secured by the Government. The enterprise predated British acquisition of the colony, provided 40 per cent of Guyana's exports, 35 per cent of the Gross Domestic Product, and operated as the nation's largest sugar producer.[8] Before independence the extensiveness of its

[5] Facts on File, *Latin America 1977* (New York: Facts on File Inc., 1978), pp. 5, 19, quoting Inter-American Development Bank, *Annual Report 1976*.

[6] *News Release, Embassy of the Republic of Guyana*, no. 4, September–December 1974, pp. 2–3.

[7] Cheddi Jagan, 'Guyana at the Cross-roads', *The Black Scholar*, July–August 1974, pp. 42–3.

[8] *News Release, Embassy of the Republic of Guyana*, no. 1, January–April 1976, pp. 1–3.

holdings occasionally prompted the quip that British Guiana was in reality Booker's Guiana. As a result of these and other nationalizations, by the end of 1976 the Government controlled 80 per cent of the nation's economy including the two largest export products, bauxite and sugar.

The decision to nationalize the sugar industry was complicated by two conditions. First, the vast majority of the sugar workers were East Indians who still maintained a firm loyalty to Jagan and the PPP. Second, these workers preferred to be represented by the Guyana Agricultural Workers' Union (GAWU), a union closely associated with Jagan's party and not recognized by the Government. Moreover, the sugar workers in the past had frequently resorted to strikes which had troubled foreign ownership and adversely affected production.[9] As a result, Burnham felt it necessary to reach an understanding with Jagan, the only leader able to mobilize this segment of the population. Circumstances favoured an accord in August 1975 when Jagan announced that his party would change its approach from non-co-operation and civil resistance to 'critical support'. Accordingly, in December the Burnham Government allowed the sugar workers to choose freely the union they preferred and they voted almost unanimously for the GAWU. It is possible that recognition of GAWU was the price Burnham was required to pay in order to be certain of PPP support when he moved to nationalize sugar. Jagan, however, insisted that 'critical support' resulted from the PNC's shift to an anti-imperialist stance and that recognition of GAWU came from pressure caused by labour strikes in the spring and autumn of 1975. But the PPP leader also recognized that his boycott of the Assembly had weakened his position and so in May 1976 the party's three-year absence ended.[10] Yet Jagan's support was not unequivocal; he asserted: 'While supporting the co-operative movement, we know that turning nationalized enterprises into co-operatives is not the way to radically change the existing socio-economic structure and build socialism. Rather, it is the way to construct a new form of capitalism, which one PNC minister recently dubbed "people's capitalism".'[11]

Fortunately for the Burnham Government, an upswing in the economy occurred during 1974 and 1975. The value of domestic exports rose from G$281·9 million in 1973 to G$592 m. in 1974 to G$832 m. in 1975. Sugar played a key role; during 1974 it furnished 48·11 per cent and in 1975 49·65 per cent of the total value of exports. In 1975 the inflation rate was reduced to 6 per cent while the favourable balance of trade enabled the nation to increase its gross reserves. The economy's favourable per-

[9] Office of Prime Minister, *Background of Action Taken by the People's Progressive Party to Disrupt Guyana Sugar Industry*, mimeographed papers relating to sugar strike.

[10] Jagan, 'Guyana: A Reply to Critics', *Monthly Review*, September 1977, pp. 36–46; Jay Mandle, 'Continuity and Change in Guyanese Underdevelopment', *Monthly Review*, September 1976, pp. 37–50.

[11] Jagan, 'Political Flexibility, Ideological Implacability', *World Marxist Review*, December 1975, p. 24.

formance, according to the Government, stemmed from its promotion of a philosophy of self-reliance together with the extensive nationalization programme.[12]

External relations

Along with its shift towards socialism in domestic affairs, the PNC Government continued to widen contacts abroad and to increase the nation's international prestige through its orientation towards non-alignment and Third World identification. Economic and technical relations were also expanded with the Communist bloc. The presence of a Chinese mission in Georgetown together with an economic assistance programme caused some speculation about Chinese motives. One view suggested that Guyana would serve as China's answer to Russia's outpost in Cuba.[13] Burnham, however, was more inclined towards Cuba in the fragmented Communist world and in 1973 Fidel Castro came to Guyana —his first visit to an independent Commonwealth Caribbean state. Along other lines, Guyana was active in founding the International Bauxite Association and in promoting co-operation within the Commonwealth Caribbean. In 1973 Georgetown hosted the conference which set up the new Caricom (Caribbean Common Market) that replaced the earlier Caribbean Free Trade Association. Among Caribbean and South American nations, Guyana has been one of the most active in world affairs.

Despite the foregoing events, any alleged successes in Guyana's radicalized Co-operative Republic were destined to be short-lived. The year 1976 brought a severe setback to an economy which was described earlier as exhibiting 'considerable economic strength'.[14] During the year exports slumped from G$832 m. to G$668 m. and a serious balance-of-payments deficit resulted. A combination of unfavourable local weather, reduced demand and declining prices, and the inflation of import costs, notably oil and capital goods, all contributed to the nation's economic woes. In addition, two labour strikes by sugar workers further weakened the sugar industry's performance as its contribution to the export sector declined to 34·22 per cent in 1976. As a result, the target date for the realization of the nation's FCH goals was revised and Guyanese were instructed to tighten their belts in preparation for austere months ahead. The Burnham Government went to international lending agencies for assistance.[15]

Diplomatic problems surfaced the same year as relations with the

[12] Office of Prime Minister, *Value of Exports for Guyana, Table II*, mimeographed papers relating to sugar strike.

[13] *US News and World Report*, 1 December 1975, p. 10; Ronald Hilton, *The Latin Americans* (New York: J. B. Lippincott, 1973), p. 125.

[14] *Guynews*, no. 2 1977.

[15] Office of Prime Minister, *Value of Exports for Guyana, Table II*; M. Hamuludin, 'Tighten Your Belts for Next Year', *Sunday Chronicle* (Georgetown) 14 November 1976.

United States and neighbouring Venezuela and Brazil deteriorated. Following independence in 1966, the United States had viewed Burnham as the most viable alternative to the Marxist Dr Jagan and responded with financial and technical assistance. However, as the result of Burnham's turn to the left, especially after the election of 1973, relations between the two nations deteriorated. Following Guyana's recognition of Cuba, which the United States described as unfortunate, and its nationalization of the bauxite industry, Burnham openly predicted retaliation from Washington. In 1976, when Burnham suggested a link between the Central Intelligence Agency and the destruction of a Cuban airliner in which 11 Guyanese were killed, strong words were exchanged between the two nations. Also during the same year, reports were circulated that Cuban soldiers, and even possibly Chinese, were in the interior of Guyana training local troops. As a result, Venezuela and Brazil bolstered their frontier defences and several months of tense relations followed. In denying the reports, which were never substantiated, the Burnham Government charged that the allegations were part of a conspiracy to destabilize the PNC Government because of its surge towards co-operative socialism. Fortunately for the Prime Minister, the publicity regarding diplomatic events diverted attention from the depressed local economy. To counter the alleged threat from outside the country, the Government increased its military spending and in December 1976 established the Guyana People's Militia as an auxiliary to the armed forces. In a further effort at consolidation, all private schools were placed under the control of the state. It should be noted that at this time there were also charges by the Inter-American Press Association that freedom of the press was seriously endangered.

Internal confrontation

Within a year after Jagan's party had ended its boycott of the National Assembly, it was apparent that the rapprochement between the PPP and PNC was coming under increasing strain. First, Jagan's efforts to form a coalition government with Burnham were rebuffed. Then there followed a five-month sugar-workers' strike which came to symbolize a confrontation between the two rival leaders. The Government's Guyana Sugar Corporation refused to negotiate with the strikers on the ground that the walkout was politically inspired. Finally, in January 1978, the GAWU agreed to end the strike. In the aftermath, the Government claimed a victory and sought to discredit the strikers, while the GAWU declared that it was caught between a ruthless regime and a divided labour movement. Besides the bitterness, the loss in sugar revenues added another dimension to the problems of a troubled nation.[16]

[16] *Guyana Chronicle*, 6 and 15 January 1978; *Trinidad Guardian*, 17 January 1978.

Against this background, the PNC Government in 1978 was required by the Constitution to call for an election. The PPP had claimed consistently that in an honest election it would win because of its support by the majority East Indian population. Burnham, however, proposed instead a national referendum in July requesting that the current parliament be designated as a Constituent Assembly with powers to alter the Constitution by a two-thirds vote. While the majority supported the need for a 'less colonial' charter, some interpreted the constitutional issue as a device to avoid an election in 1978. It should be noted, however, that the PNC in its earlier Sophia Declaration had advocated constitutional reforms. But its timing was for many too ominous. When the results overwhelmingly favoured Burnham, charges were levied that the outcome had been rigged.[17] Although Burnham insisted that the delay in calling for an election would not extend beyond 1979, the opposition was not convinced and the nation was embroiled in another divisive issue.

In the midst of this controversy, Guyana was confronted in November by the disclosure of the mass suicides and murders at Jonestown. Although the principals were North Americans, their presence on Guyanese territory linked Guyana to the vast publicity given to this bizarre affair. Moreover, local opposition forces sought to embarrass the Government by suggesting complicity and a cover-up. However, Burnham's party successfully minimized local repercussions, insisting that the People's Temple tragedy was largely a United States problem. Despite some uneasy moments in the aftermath of Jonestown, the Burnham Government apparently survived the charges and rumours without appreciable damage to its position.

Unresolved problems

As the decade of the 1970s concludes, Guyana's diplomatic outlook appears more promising than the local scene. Relations with the United States improved slightly following discussions with the new Carter Administration in late 1977. Burnham undoubtedly had recognized the severity of his nation's socio-economic crises and the tremendous power still wielded by the United States. Relations also improved with the neighbours, Brazil and Venezuela. However, the local economy has not yet recovered from the grave difficulties which overwhelmed it in 1976. Balance-of-trade deficits, declining governmental revenues, inflation, unemployment, shortages in consumer goods and a lack of developmental capital are only several of the economic problems confronting the PNC Government. Burnham has stressed the temporary nature of the setback, suggesting that forces of destabilization—both from within and abroad—have contributed to the crisis.[18]

[17] *Christian Science Monitor*, 7 July 1978; *The Times* (London), 13 July 1978; *Trinidad Express*, 11 July 1978.
[18] *Guyana Chronicle*, 7 December 1977.

Underlying the troubled economic scene is the persisting racial strife between Africans and East Indians. So far the PNC Government, in containing these tensions, has prevented a recurrence of the violence of the early 1960s. But the price paid for PNC order has caused many to question the future of Guyana's parliamentary government. The recent referendum has been interpreted by some as a gimmick enabling the PNC to remain in office indefinitely and open the way for a one-party state in which one racial group dominates the Government while the other remains largely without influence. The governmental bureaucracy, the police force and the military are all staffed principally by the urban-based Afro-Guyanese.

Most observers minimize the ideological differences between Burnham and Jagan while they themselves stress them. Burnham is more the pragmatist than the ideologue, the shrewd and adroit politician. His political strength is based in part on his reliance upon civil servants and technocrats in the governing process while most of his recent East Indian recruits have no political base. As party leader and Minister of Defence, Burnham occupies two additional positions of authority. Furthermore, a cult of personality is being built around the Prime Minister whose image is widely displayed. In 1977, his denial to charges of having received secret CIA payments along with other international political figures caused him some embarrassment but no loss of status in Guyana. Within the Black community, Burnham is challenged by Eusi Kwayana who has his own organization, ASCRIA (African Society for Cultural Relations with Independent Africa), and recently severed political ties with the Prime Minister.

As for Jagan's PPP, it no longer commands support from all East Indians, some of whom have now aligned themselves with the PNC. Among his racial group, Jagan too has encountered a rival for leadership, Moses Bhagwan, formerly leader of the PPP youth organization, who in September 1973 formed the Indian Political Revolutionary Association (IPRA). Following Jagan's decision in 1975 to give 'critical support' to the PNC Government, ASCRIA and IPRA formed the Working People's Alliance, proclaiming that they had bridged the racial animosity by stressing national urgency.

Whereas in the past political questions and racial tensions have preoccupied Guyana, the PNC Government during the 1970s has addressed itself to the need for social and economic reform. Despite gains in some areas, the future is less than promising. As a supra-racial concept, the Co-operative Republic lacks acceptance among all groups. Moreover, the role of co-operativism in the economy is unclear and it is now dominated by the public sector. A recent study by the World Bank placed Guyana among the 'poor' nations of the world, those with a Gross Domestic Product of less than $550 per person.[19] Considering that many of the

[19] *US News and World Report*, 31 July 1978, p. 56.

wealthier industrialized nations are experiencing economic difficulties, it is understandable that Guyana's problems become magnified. Perhaps the most difficult achievement for the moment would be for Guyanese to realize that the solution to their problems ought to come from within the nation and not from other countries, and that without self-reliance, national unity and racial harmony the goals of the Co-operative Republic will never be attained.

PRINTED IN ENGLAND BY POPPER & COMPANY LTD, WELWYN GARDEN CITY, HERTFORDSHIRE

The annual symposium organized by the College of Europe will take place on 14–16 June 1979, and the subject will be

"PROSPECTS FOR EEC AGRICULTURE"

The present state of the common agricultural policy will be reviewed, and special attention will be given to the implications for the future of:

— technological development, productivity growth and structural change;

— the impact on EEC agriculture of the accession of Greece, Portugal and Spain;

— the outcome of the multilateral trade negotiations in GATT;

— prospects for world agricultural markets, including food aid.

As on previous occasions, a large attendance is expected. Two Ministers of Agriculture—M. HUMBLET (Belgium) and M. KOFOED (Denmark)—have agreed to speak, as well as Mr GUNDELACH, Vice-President of the EC Commission. Professor HATHAWAY, Assistant Secretary in the US Department of Agriculture, will give a US view of world food prospects. Senior officials from the Commission, OECD, GATT and the World Food Program will contribute, together with university experts. Producers and consumers will be represented. The Presidents of the agricultural committees of both the Economic and Social Committee and the European Parliament will participate.

For further information, please contact the Secretariat of the Bruges Week, College of Europe, Dyver 11, B—8000 BRUGGE (Belgium), tel. 050/33.53.34.

THE WORLD TODAY

ORDER

Please hand to your newsagent or bookseller, or post to: Oxford University Press, Press Road, Neasden, London, NW10 0DD (Telephone: 01-450 8080).

Please enter my subscription for one year to *The World Today*

Annual subscription £7 post free; US$20 by accelerated surface post; elsewhere £9

☐ Cheque/P.O. enclosed. ☐ Please send invoice.

NAME (Mr/Mrs/Miss)..

ADDRESS ....

....

DATE..

THE WORLD TODAY

Founded in 1945, THE WORLD TODAY is issued under the auspices of the Royal Institute of International Affairs and published monthly by the Oxford University Press.

ANNUAL SUBSCRIPTION (12 issues a year)

Including postage inland and overseas

UK £7

US $20 (by accelerated surface post)

Elsewhere £9

Single copies 70p ($2) post free

Orders may be sent to booksellers and newsagents or to the Oxford University Press, Press Road, Neasden, London, NW10 0DD Telephone 01-450 8080

The Royal Institute of International Affairs is precluded by the terms of its Royal Charter from expressing an opinion of its own on any aspect of international affairs. Any views expressed in this publication are, therefore, the responsibility of the contributors.

ISSN 0043-9134

// THE WORLD TODAY

The Royal Institute of International Affairs

CONTENTS

EDITOR: LILIANA BRISBY

June 1979
Vol. 35. No. 6

Manuscripts and correspondence should be addressed to the Editor, *The World Today*, The Royal Institute of International Affairs, Chatham House, 10 St James's Square, London SW1Y 4LE.

Notes of the month

FOREIGN POLICY AND THE BRITISH GENERAL ELECTION

EUROPE'S first woman Prime Minister, Mrs Margaret Thatcher, took office as the result of the British general election on 3 May, in which the Conservative Party won a clear majority of 43 seats over all other parties. Herself lacking experience in foreign affairs, she appointed the former Defence Secretary, Lord Carrington, to be Foreign and Commonwealth Secretary and sent the shadow Foreign Secretary, Mr Francis Pym, who was also new to the international field, to the Ministry of Defence. 'To judge from the election campaign,' the *Daily Telegraph* wrote at its end, 'the British Isles might be on the moon, so little have foreign affairs figured.' The same could, however, have been said of almost every British election in the past.[1]

But this did not mean that international issues were not implicit in the debates. It was thus not surprising that immediately after her victory Mrs Thatcher prepared a Queen's speech that placed in the forefront a statement of the Government's intention to improve security and increase Britain's contribution to Nato, followed by a declaration of Britain's 'strong commitment to the European Community'. Indeed, as the first of a new series of Chatham House Briefings called *Foreign Policy and the New Government*[2] illustrated, it was quite possible to derive from the campaign more hints than one might have expected about the future of British policy.

As if to demonstrate that the classic distinction between domestic and foreign affairs had been, in respect of some countries and some subjects, abolished by the Treaty of Rome, first Mr Tony Benn, the Energy Secretary, and then the Prime Minister, Mr Callaghan, opened the Labour Government's election campaign with strong emphasis on Britain's relations with other countries within the EEC. Declaring that 'a vote for the Labour Party in this election will be a vote against the Common Market as it now operates and for moves to self-government within a wider Europe', the Energy Secretary revealed (on 8 April) that

[1] But there has been some change. At a Chatham House meeting on the parties' attitudes to foreign affairs, Mr David Stephen (for Labour) pointed out that in 1964 89 per cent of Labour and Conservative candidates mentioned foreign policy in their election addresses; in 1974 89 per cent did not. The other speakers at the meeting were Lady Elles (Conservative) and Lord Banks (Liberal).

[2] Obtainable from Chatham House, price £2.50.

'the EEC Commission is absolutely determined to get control of our oil by all sorts of methods.' Thus Britain would 'have to fight immensely hard' in the 1980s to parry these multiple assaults on its most prized possession. It seemed as if foreign affairs of a kind would feature prominently in an election, which itself would prove to be a dress rehearsal for the European elections scheduled for June.

When Mr Callaghan held his first daily press conference, he notably resisted an opportunity of endorsing Mr Benn's language. Still, he gave prominence to complaints he had made earlier about the distribution of the burdens of the EEC budget. As the third poorest member of the Community, Britain had already become the biggest net per capita contributor; by 1980 the estimated figure for this 'perverse transfer of resources' would be over £1 billion. This, of course, was a direct consequence of the workings of 'the ridiculous Common Agricultural Policy' which the Labour Party was committed to reform. From various statements it appeared that the party felt it had a particularly good chance of accomplishing this during the next Parliament. There was, first, the proven determination of the Labour Minister of Agriculture, Mr John Silkin, to take a tough stand in negotiations in Brussels even when in a minority of one and his blunt announcement that, come what may, he was standing by his insistence on a total price freeze on food products (which had, in fact, been proposed by the European Commission); second, the coming enlargement negotiations with Spain and Portugal which re-opened important agricultural issues; and, third, the certainty that, at the present rate of spending, the Community would have reached the limits of its independent ('own resources') revenue within the next two years—again largely as the result of the CAP—and would be coming to the member Governments with proposals for access to additional funds. All these negotiations were better entrusted to Labour because Conservatives on their past record were a 'soft touch' and would let the Europeans 'walk all over them'.

In the event, the EEC did not sustain its position as a major election topic partly because, after his initial effort at jumping the gun, Mr Benn was kept, or kept himself, well under restraint for the rest of the campaign, and partly because the Conservatives, aware of the danger that Labour might gain popularity with its anti-Brussels line, moved quickly to narrow the apparent gap between themselves and the Government. Little or no attention, for instance, was called during the election to the remarkable passage of the Labour manifesto that slipped through the joint editing session of the Cabinet and the much more left-wing National Executive Committee to the effect that 'enlargement of the Community will provide the opportunity for seeking changes in the Treaty of Rome which would enable the House of Commons to strengthen its powers to amend or repeal EEC legislation.' This, as the manifesto

baldly stated, 'would involve consequential amendments to the 1972 European Communities Act'. It would indeed challenge the whole character of the Treaty of Rome. But, as the *Financial Times* alone seems to have remarked (on 10 April), the Conservative manifesto showed itself equally parochial by declaring, in the section for 'Agriculture', that 'We should not entertain discriminatory proposals such as those which the Commission recently put forward for milk production.' These proposals were in fact the co-responsibility levy to ensure that all substantial milk producers in the Community contributed to the costs of their surplus products; it could only be discriminatory, the *Financial Times* said, to those British farmers who 'believe that they are not really in the Community and that the overall surplus has nothing to do with them either for milk or anything else.'

Indeed, in their manifesto the Conservatives followed Mrs Thatcher's rhetorical habit of praising the Community in a very few words and rapidly getting down to complaints—remarkably similar to Labour's—about the Common Agricultural Policy, the Community Budget and the proposed Common Fisheries' Policy. The main obstacle to Britain's achieving the necessary changes in these departments was said to be 'the frequently obstructive and malevolent attitude of Labour Ministers' which forfeited partners' trust. A different type of Minister, the Conservatives seemed to say, could get away with being just as intransigent. 'We will insist on a freeze in CAP prices for products in structural surplus' they declared, adding that these should be maintained 'until the surpluses have been eliminated.' According to observers, this would take some four or five years, during which the pressures under which the system would be operating would become intolerable. Whether Mr Peter Walker, a prominent pro-European whom Mrs Thatcher appointed unexpectedly to be Minister of Agriculture, would be able to hold out that long without flinching and still not be regarded as 'obstructive and malevolent' is one of the more interesting situations to observe under the new Government. Presumably the hope is that the other EEC Governments will shift first and themselves advocate those 'radical changes in the operation of the CAP' which the Conservatives call for but do not specify.

One aspect of Brussels-related policies alone broke through into the sharp exchanges of the central debate. This was the pledge in the Conservative manifesto to 'devalue the Green Pound within the normal lifetime of a Parliament to a point which would enable our producers to compete on level terms with those of the rest of the Community.' This was clearly a response to pressure from the farmers for increased incomes at a time when the rest of Conservative policy was supposed to have the effect of reducing or at least stabilizing the price of food. Since the nature and extent of the pledge were ambiguous, it lent itself ideally to Labour

charges of the Conservatives being the 'dear food' party, Conservative charges of Government 'lying' and exchanges of bitter statistics.

Curiously, the Labour Party manifesto made only the most cursory reference to the fraught issue of the common fisheries policy, promising to give preference to a strong British fishing industry in British waters. The Conservatives were more detailed and more minatory. Hardening her position towards the end of her campaign both on fisheries and on the burden of the European budget, Mrs Thatcher usefully distinguished her position from Mr Callaghan's by pointing out that, as Foreign Secretary, he had been responsible for the 'renegotiation' of 1975.

The apparent unity between the parties on some issues was misleading. The Labour Party, which on the one hand said flatly that it 'would not join an Economic and Monetary Union' and wanted the links of the Treaty of Rome much weakened, on the other also expected the Community budget to solve most of the problems of modern Government—a fairer distribution of resources within the EEC, the convergence of economic performance of member states, faster economic growth, higher employment and lower inflation. There is considerable reason to suppose that any significant transfer of resources to promote these large objectives requires a much bigger European budget than at present exists. Sir Donald McDougall's Study Group, asked to report to the European Commission on the role of public finance in European integration, has calculated that at a minimum the Community budget needs to be tripled in the 'pre-federal stage' (with the eventual aim of its rising by a factor of ten) before there can be any noticeable advance towards these aims. However, neither party appeared to have any intention of increasing the budget at all: the Labour Party spoke of spending on social and regional developments the funds 'released' by reform of the CAP, while the Conservative party, as the election approached, suddenly became more conscious of the apparent inconsistency of spending more public money at the European level at a time when cuts in public spending formed the principal theme of policy at home. In a debate in the House of Commons on 21 February this year on a discussion paper from the European Commission on financing the budget, Mr Nigel Lawson, who has now become Financial Secretary of the Treasury, stated peremptorily: 'We cannot accept any suggestion that the European Community at this time or prospectively should be voted funds to enable it to add further to the totality of public expenditure.' Moreover, the Conservative Minister who will sit on the Budget Council to deal with Commission proposals and amendments from the European Parliament providing for additional expenditure will be the Chief Secretary to the Treasury, Mr John Biffen, who is known to be a right-wing member of his party. His main contribution during the election was to insist on the need for 'a golden thread of consistency' to bind together Conservative policies. 'We dare not preach

one message for Westminster,' he said 'and offer something quite different for Strasbourg.'

The Government's intention to reassess the question of Britain joining the European Monetary System was prominently signalled in the Queen's Speech on 16 May. During the election, Sir Geoffrey Howe, now Chancellor of the Exchequer, made several references to allowing 'sterling to float freely,' which hardly suggested any rush to join the system. He also expressed doubts about the failure to achieve any sufficient convergence of the economic and monetary policies of member states. It seems quite possible, however, that Mrs Thatcher will make the final decision on broad political grounds.

Mrs Thatcher's appointment of the experienced Lord Carrington instead of Mr Pym to the Foreign and Commonwealth Office is a sign that she realizes that the schedule of international affairs allows little time for a learning period. Mr Pym has gone to the Ministry of Defence and the strengthening of Britain's defence contribution has been made 'the first charge on our national resources.' Here the change of Government is supposed to mark a distinct shift. What defence policy would have been under Labour is unclear—since Mr Callaghan's Government had agreed a 3 per cent increase in real terms on Nato spending for the next two years, while the Labour Party's manifesto spoke of continuing to reduce the proportion of the nation's resources devoted to defence. In any case, in addition to increasing still further the rates of service pay above the new level recently announced by Labour, the new Government presumably plans to go beyond the 3 per cent commitment of its predecessors. One action it will certainly take will be to plan for a successor to the Polaris nuclear force as it becomes obsolete, so as to ensure that Britain retains its own strategic deterrent.

Certainly the posture of Britain is intended to be in accordance with Mrs Thatcher's reference, in her campaign speech at Birmingham, to the Soviet description of her three years ago; listing recent successes of the Soviet Union, with the help of Cuba, in Angola, Ethiopia and Afghanistan, and the weakening of the Western position through turmoil in Iran, she declared: 'They were right. Britain needs an Iron Lady.' She has criticized the granting of subsidized credits to the Soviet Union and supported the use of leverage on the Soviet Union, through its need for Western food and technology, to advance the cause of human rights. While not repudiating détente, she has expressed a robust scepticism about its results to date. American officials will be anxiously seeking to find out how that scepticism is applied to the Salt-2 agreement.

In the immediate future, however, the 'Iron Lady' does not have to confront the Russians so much as the Commonwealth, of which Conservatives, especially Mr Pym, spoke during the election with considerable warmth. The next Commonwealth Prime Ministers' Conference

takes place in Lusaka in August and it is likely to be dominated by developments in southern Africa. The recent breakdown of negotiations between the five Western 'contact' powers and South Africa over Namibia suggests the ending of the temporary diplomatic truce at the United Nations over the question of sanctions against South Africa. Lord Carrington has in the past expressed strong views against the effectiveness of economic sanctions as a weapon in foreign relations. When, as is likely, a sanctions resolution is introduced in the UN Security Council, the United States and France might hesitate to veto it. The decision would then be up to Britain.

Rhodesia has provided the most apparent clash between the parties over foreign affairs. Little was heard of it during the election. But it was the matter on which many Conservative MPs, incensed at what they considered to be Dr David Owen's bias towards 'Marxist terrorists', expect the most dramatic indication of a change of government. The Labour Government had declined to send observers to the elections by universal suffrage in Rhodesia which took place during the British campaign; but the Conservative Opposition had sent a team headed by the former Colonial Secretary, Viscount Boyd of Merton, who found that Bishop Muzorewa had won a fair election. At the same time, there was a 75 to 19 vote in the United States Senate putting pressure on President Carter to recognize the new Government of Zimbabwe-Rhodesia and lift sanctions. Lord Carrington immediately sent a senior Foreign and Commonwealth Office official, Sir Antony Duff, to Salisbury to establish contact with the Bishop. He has stated that he considers the Anglo-American proposals outdated, but he is clearly playing for time—probably until after the Commonwealth Prime Ministers' meeting at Lusaka. But, however delayed, a Conservative Government will be expected by its supporters to 'bring Rhodesia back to legality and do everything possible to make sure that the new state receives international recognition', as Mr Pym put it during the election. Exceptional skill will have to be shown if this is not to lead to a rapid confrontation with the Africans, not least with those inside the Commonwealth.

KEITH KYLE

AUSTRIA: A TRIUMPH FOR DR KREISKY

CHANCELLOR Kreisky's decision to call an early election in Austria resulted in an overwhelming victory for his party, the Socialists (SPÖ). The main opposition party, the conservative People's Party (ÖVP), attempted to capitalize on the misfortunes of the SPÖ towards the end of last year. The Government had shown itself to be vulnerable in its stronghold Vienna, had struggled through a referendum on nuclear

energy, was embarrassed by scandals surrounding its Finance Minister and had bungled the election of the Director of Radio and Television. Rather than soldier on until October and encouraged by favourable opinion polls at the beginning of 1979, Kreisky opted for an election on 6 May.

As the campaign progressed it seemed clear that the main issue was whether the SPÖ would retain its absolute majority. A relative majority would mean the negotiation of some kind of coalition. Kreisky rejected participation in any coalition, great or small, and presented the electorate with a straight choice between himself or a coalition between the other two parties in Parliament, the ÖVP and the small, right-wing Freedom Party (FPÖ). The spectre of a conservative coalition was considered by the SPÖ to be sufficiently frightening to ensure that voters would re-elect Kreisky with the absolute majority that he required. Just before the election, the Socialist camp seemed optimistic that this tactic would be rewarded. What came as a surprise to most observers was not only that the SPÖ retained its absolute majority but also that it actually won seats and secured over 50 per cent of the votes for the third consecutive time. The turn-out was just over 93 per cent—slightly higher than at the last election in October 1975. It had been feared by the SPÖ that the defeat of the British Labour Party would weaken morale and possibly lose votes. This was not borne out by the results:

	SPÖ		*ÖVP*		*FPÖ*	
	1979	(1975)	1979	(1975)	1979	(1975)
Seats	95	(93)	77	(80)	11	(10)
Votes%	51·03	(50·42)	41·90	(42·95)	6·06	(5·41)

The Communists once again failed to win a parliamentary seat and their share of the vote dropped from 1·19 per cent in 1975 to 0·96 per cent. The Socialist gains came from all over Austria with the exception of the province of Vorarlberg which shares a border with Switzerland. The SPÖ picked up one extra seat from the ÖVP in Upper Austria. The other seat was won by the SPÖ in the second stage of the distribution of seats which takes place under the electoral system. The FPÖ won its extra seat in this way and made most of its gains at the expense of the ÖVP.

The main message of the Socialists to the electorate was 'You've never had it so good'. Nine years of SPÖ rule had apparently brought about a dramatic increase in the standard of living. The Government believes that it is steadily fulfilling its pledge to create a modern and humane Austria. More consumer goods plus increases in social security were cited as benefits of the Social Democratic era.The SPÖ has unwaveringly committed itself to maintaining full employment, undoubtedly a popular policy. With unemployment running at around 2 per cent, most Austrians

consider themselves lucky to have escaped this aspect of the world recession relatively lightly. Kreisky, in most of his main speeches, reminded his audience that he had witnessed the mass unemployment of the 1930s. The Chancellor also mentioned the dole queues he had seen recently in other countries and reiterated his determination not to let that happen in Austria. With a strong currency, social peace and an inflation rate of 3·5 per cent, the SPÖ argued that a change of government could only endanger progress. 'No Experiments' was a shrewd approach by the Socialists and one certain to appeal to the essentially conservative Austrians.

The SPÖ at this election identified itself more than ever before with the Austrian nation. Its election posters bore a strong resemblance to the red-white-red flag of the Republic and the main slogan of the party was 'The Austrian Way'; prosperity under social democracy had meant that Austrians could be proud of their country. As in 1975, much of the SPÖ's campaign was built around the personality of Kreisky. The Chancellor appeared in the SPÖ's propaganda as Superman leading Austria into the 1980s and, in a more dignified pose, as an experienced statesman underneath a portrait of the former Emperor Franz Joseph, uniting symbolically an Imperial past with a dynamic future. Although the 68-year old Chancellor has shown signs of tiredness and demonstrated that even he can make mistakes and contradictory statements, he remains a popular figure with Austrians of all parties.

Dr Taus, the leader of the ÖVP, has never really seemed to enjoy the cut and thrust of politics at federal level and is distinctly unimpressive on television. His attack on the Government's handling of the economy frequently baffled the average voter with statistics and contradicted what many felt to be true. The ÖVP was unable to convince voters that it could make reductions in taxes whilst at the same time maintaining the level of social security and reducing the large budget deficit. Moreover, the external deficit has been reduced mainly as a result of an austerity package introduced by the SPÖ.

The People's Party tended to avoid an open confrontation with either the FPÖ or the SPÖ on controversial issues for fear of jeopardizing any possible coalition after the election. The emphasis was rather on the need to work together to solve the difficult problems of the contemporary world. Taus criticized Kreisky's 'all or nothing' approach as divisive and dangerous. This type of inflexibility had contributed to the political disasters in Austria in the inter-war period. For Taus the only way forward was for parties to be prepared to co-operate. The ÖVP urged the electorate to vote for a 'New Spring', arguing that it was time for a change. The Opposition believed that the Socialists had built up an unhealthy monopoly of power in the state and that the SPÖ had become stale and arrogant after a long period in office. The result of the election

clearly endorsed a single-party government and showed that voters were not frightened to entrust this again to the Socialists. The election was a decisive rejection of coalition politics which were dominant in Austria for 20 years after the Second World War. The losses sustained by the ÖVP are a severe blow for the party. Taus will probably remain leader until the party conference in the autumn when the ÖVP will have to decide how best to reverse the continuing trend to the SPÖ.

The FPÖ fought the election under its new leader, Dr Götz, the Mayor of Austria's second largest city, Graz. Götz has injected a new style into Austrian politics and has not been afraid to attack Kreisky personally. Because of this, a coalition between the FPÖ and the SPÖ with their present leaders was considered unlikely. Although the FPÖ had hoped to win more seats, the party's share of the vote increased to just over 6 per cent which is its best performance since 1962. The FPÖ campaigned for less bureaucracy, reduced state intervention and less politicization of society by parties. The small gains made by the FPÖ present no threat to the dominance of the SPÖ. Firmly in power for another four years, the party has every right to be jubilant with these results. One danger is that the SPÖ will become complacent, secure in the belief that it can only go on from strength to strength. The SPÖ has still not found a possible successor to Kreisky and this election can only have made the choice more difficult. For the time being, these problems seem relatively minor compared with those facing the People's Party.

MELANIE SULLY

The legacy of the Treaty of Rome: a Community of equals?

MICHAEL HODGES

It is now generally agreed by observers of the European Community that it has reached a critical phase in its development: some important choices on its essential purpose will have to be made over the next two or three years. The member states have, in varying degrees, accepted that the Community needs to be re-evaluated in the light of its further enlargement to twelve members and the continuing turbulence in the world economy. At this month's meeting of the European Council in Strasbourg, the heads of government are due to consider what role the Community should play in promoting greater convergence of economic performance and reducing the disparities between the economies of member states through common policies. This major problem has been highlighted by the recent publication by the Commission of figures for net contributions by member states to the EEC budget, which show that Britain and Italy, two of the poorest Community countries, are by far the largest net contributors while Denmark, the most prosperous, is the largest net recipient.[1]

This issue of economic divergence also underlies the deliberations of the 'Three Wise Men' who are preparing their report on possible adjustments to the machinery and procedures of Community institutions 'required for the proper operation of the Communities . . . and for progress towards European union',[2] for submission to the European Council in October this year. Without wishing to speculate on what gifts the wise men will bring to the summit, it does seem important to re-

[1] *The Economist*, 31 March 1979, pp. 37–8.

[2] *Bulletin of the European Communities*, no. 12 (1978), p. 97. The three experts nominated by the European Council following a proposal by President Giscard d'Estaing last September are Mr Edward Dell, until recently British Secretary of State for Trade, M. Robert Marjolin, a former Secretary-General of the OEEC and Vice-President of the European Commission, and Mr Barend Biesheuvel, a former Prime Minister of the Netherlands and Dutch ex-Minister of Agriculture.

Dr Hodges, Associate Professor of International Relations at Lehigh University, Pennsylvania, is a Research Fellow at Chatham House working on a project entitled 'The political implications of economic divergence for the European Community'. Author of *Multinational Corporations and National Government* (London: Saxon House, 1974) and editor of *European Integration* (Harmondsworth: Penguin, 1972).

examine some of the basic assumptions of the architects of the Treaty of Rome which established the EEC and has guided its development for over two decades. The fundamental question is whether Britain or any other Community member is justified in assuming that the EEC—as it was conceived and as it has evolved—has any role to play in overcoming divergences in economic structures, policies and performances between the member states. Indeed, can we agree that the EEC's objective is to create a community of economic equals, or does the Treaty of Rome's call for 'a harmonious development of economic activities, a continuous and balanced expansion, an increase in stability, an accelerated raising of the standard of living and closer relations between the States'[3] imply not equality but the preservation of diversity in an era of economic interdependence? If the latter is the case, then the expectation of some British policy-makers that the Community can be used to overcome economic disparities through the transfer of resources is unrealistic and unjustified, and economic convergence can be promoted only through the emergence of a new political consensus transcending the economic and political assumptions of the EEC Treaty.

The formative years

Neither the Spaak Report (which was accepted as the basis for the *relance européenne* by the six Foreign Ministers in Venice on 30 May 1956 after less than two hours of discussion), nor the Treaties which closely followed it, ever precisely defined what was meant by a 'Common Market', except that all agreed that it included a customs union whose implementation was programmed fairly closely. What lay between that minimal state of 'negative integration' as it is often called and the distant peak of 'ever closer union' mentioned in the Preamble to the Rome Treaty, was, in the phrase used by one analyst, 'a good deal of mist and dead ground'.[4]

Nevertheless, the Spaak Report and the Treaty of Rome tell us a good deal about the working assumptions of the founding fathers as they sought to achieve 'common bases for development' and the 'progressive fusion of markets' in Europe. The Spaak Report stressed growth rather than equity: 'In an expanding economy, this division of labour manifests itself less by the displacement of existing production than by an even more rapid development, in the common interest, of more economic forms of production'.[5] Although the Report was prepared to justify, in certain temporary situations, state aids, regional assistance, and derogations from the Treaty, it did not expect long-term disruptions to emerge

[3] Article 2.

[4] Richard McAllister, 'The EEC Dimension: Intended and Unintended Consequences', in James Cornford (ed.), *The Failure of the State* (London: Croom Helm, 1975), p. 180.

[5] Comité Intergouvernemental crée par la Conférence de Messine: *Rapport des chefs de délégation aux ministres des affaires etrangères* (Brussels, April 1956), p. 13.

from the creation of a customs union and stressed that the creation of a large market under conditions of free competition would benefit all members.

Indeed, the Spaak Report made it clear that national economic policies might well undermine the advantages to be derived from a common market: 'The role of the state in the modern economy is also evident in the divergences which each can bring about in the levels of economic activity or prices. This cardinal point underlines both the risk and the opportunity involved in the creation of a common market.'[6] The opportunity was to co-ordinate economic policies in order to overcome balance-of-payments problems which hindered continued expansion, and therefore the common market could only come about if a transitional period made possible changes in decision-making to establish common rules whose implementation would be overseen by Community institutions. One of the essential aims of the institutions would be 'to obtain a convergence of efforts to maintain monetary stability, a high rate of employment and a high level of economic activity.'[7]

Although the Treaty of Rome provisions for the creation of the institutions of the EEC drew upon the experience of the European Coal and Steel Community (ECSC), the balance of power between the Council of Ministers, representing member states, and the Commission, representing the 'Community interest', was rather different from the division of power between the Council and High Authority in the ECSC. In part this was a reflection of the more open-ended nature of the EEC in comparison with the limited functions of the ECSC, but it may have been due also to an unwillingness to grant supranational powers if they could be manipulated and extended as Monnet and his colleagues in the High Authority had done. The Treaty's emphasis on the virtues of the free market led it to give only a secondary role to activities and policies designed to correct imbalances or divergences, which it regarded as being largely temporary and exceptional, and which could be minimized by careful co-ordination of national economic policies.

The Treaty provided a detailed timetable for the initial stages of a common market through provisions for the abolition of internal tariffs and the erection of a common external tariff, and it established principles and guidelines for a common agricultural policy (CAP). On other matters, it was much less specific, and its liberal free-market philosophy tended to regard measures to correct divergences or imbalances arising from the creation of the customs union as either unnecessary or temporary deviations from the norm. Although the Preamble to the Treaty affirmed that the signatory states were 'anxious to strengthen the unity of their economies and to ensure their harmonious development by reducing the differences existing between the various regions and the backwardness

[6] *ibid.*, p. 17. [7] *ibid.*, p. 23.

of the less favoured regions', there were few attempts in the early years of the EEC to develop any real co-ordination of economic policy, let alone the establishment of common policies controlled and financed at the Community level. The dismantling of internal tariffs and the establishment of the common external tariff, or 'negative integration', did not 'spill over' through the 'expansive logic of sector integration' (as Ernst Haas theorized at the time)[8] into 'positive' integration through the development of Community policies.

Except in the areas of agriculture and commercial policy where it can claim to have developed substantial common policies, the Community plays a subsidiary and supplementary role. The result of the 'Luxembourg compromise' of 1966, resolving the constitutional crisis caused by a six-month French boycott of Community institutions, was to eliminate majority voting in the Council of Ministers on issues considered by any state to be vital. This meant that the establishment of new common policies (even in transport, for example, where the Treaty had already provided for a common policy) or the restructuring of existing policies (such as the CAP) was made much more difficult than the founding fathers had envisaged, and the crisis marked a decisive shift in the balance of power away from the Commission towards the Council of Ministers. The reassertion of the power of the member states (underlined by the Merger Treaty of 1965 which gave the Committee of Permanent Representatives an official role in the Community's system) did not, however, undermine EEC policy achievements—the '*acquis communautaire*', thus indicating that integration did not depend upon perpetual progress for its survival, even in the case of the obvious costs and shortcomings of the CAP. Indeed, the elaborate system of 'monetary compensatory amounts' and 'green currencies' devised to deal with the breakdown of the Bretton Woods international monetary system provides further support for the argument that the *acquis communautaire* has demonstrated its durability in the face of economic upheaval.

The convergence issue

The establishment of the Common Market has been accompanied by a significant increase in intra-Community trade and hence economic interdependence, so that fluctuations in the level of economic activity have tended to be transmitted between member states more rapidly than before, resulting in diminished effectiveness for national monetary and fiscal policies in regulating the level of domestic economic activity. Although the Council of Ministers recognized the need to strengthen economic policy co-ordination as long ago as 1964, when the Medium-Term Economic Policy Committee was established to draw up a series of five-year plans, the programmes emanating from the Committee were

[8] Ernst Haas, *The Uniting of Europe* (London: Stevens, 1958).

very general and had no great effect upon divergent national economic policies.

As the initial phase of economic integration matured in 1968 with the establishment of a customs union and the full implementation of the CAP, the Community's member states began to be painfully aware that they had come to the area of 'mist and dead ground' beyond which lay the vision of European Union—federal, confederal, or other. Instability in the international monetary system (fuelled by America's guns and butter policies, upward movement of raw material prices and growing militancy of union wage demands), growing doubts over the Atlantic relationship and the implications of US-Soviet détente, and the lack of progress in moving the Community beyond the basic framework provided by the Treaty of Rome all served to emphasize the vulnerability and absence of ambition of the Community. The 1969 Hague Summit opened the door to enlargement of the Community and called for plans for economic and monetary union; a year later the Werner Report's plan for progressive achievement of Economic Monetary Union (EMU)[9] emphasized the need for promotion of economic *policy* convergence as a prerequisite for monetary union, but did not delve into the question of whether convergence in economic *performance* could be brought about by policy co-ordination among the Community countries alone, nor the problem of divergence in economic *structures* which an irreversible monetary union would do nothing to solve and might well aggravate.

It would not be appropriate here to examine in detail the unhappy history of EMU[10] and the floating membership of the snake, nor the intricacies of the debate between the 'monetarists' and 'economists' which followed the proposals for EMU. Suffice it to say that the demise of the Bretton Woods system, the enlargement of the Community and the changing structure of the international economy (with challenges from Japan, OPEC, Korea, etc. to be added to the American *défi*) all served to underscore the vulnerability of the Community and the failure of the *acquis communautaire* to bring about spontaneously 'a harmonious development of economic activities, a continuous and balanced expansion', and the rest. The fact was that the Community had achieved its major successes at a time when world trade and capital movements were being progressively liberalized, with the enormous economic and political power of the United States being used as both the engine and the stabilizing force; the Community had been 'condemned to succeed' in its phase of negative integration because there was nothing to stop it. As it entered the period when positive integration (in the sense of common policies

[9] *Report to the Council and the Commission on the realisation by stages of 'Economic and Monetary Union in the Community'*, Supplement to the *Bulletin of the European Communities*, 1, 1970.

[10] For background, see Geoffrey Denton, 'European monetary co-operation: the Bremen proposals', *The World Today*, November 1978.

or at the very least very close co-ordination of national policies) was needed, the US lost its gravitational pull and the web of interdependence which had been previously created faithfully transmitted the shocks created by the new situation. Although divergent national economic policies had been seen in previous years as an obstacle to further integration, the debate on Europe's regional policy served to underline the failure of the Community to achieve greater convergence by reducing regional imbalances—the Commission's 'Report on the regional problems in the enlarged Community' of May 1973 argued that 'rapid progress towards Economic and Monetary Union would be arrested if national economies had not undergone the transformations needed to avoid excessive divergencies between the economies of Member States'.[11]

By the time that the oil crisis and the accompanying recession hit the Community, the initial preoccupation with policy convergence (in the sense of mutually reinforcing national economic policies)—itself a substitute for the economic convergence which a decade previously had been expected to flow automatically from the progressive implementation of the customs union—was now supplemented by concern over long-term divergences in the performance of the economies of member states. By 1978, for example, inflation rates varied from less than 3 per cent in Germany to over 12 per cent in Italy, while per capita gross domestic product as a percentage of the Community average ranged (on 1976 figures) from 141 per cent for Denmark to 47 per cent for Ireland. The pattern of income levels within the Community clearly indicates the emergence during the last decade of a two-tier community consisting of France, Germany, Denmark and the Benelux countries on the one hand and a group of low-income countries (Ireland, Italy and the UK) on the other, with the prospect of further enlargement of the Community threatening to increase the degree of economic divergence between member countries.

Statements by Community politicians over the last five years broadly fall into two groups: those who consider that no major progress can be made in developing Community policies until economic divergences in both policy and performance have been overcome (including some who fear that continuing divergence will lead to disintegration); and those who advocate monetary union as a means of promoting convergence and also of stimulating the development of Community regional and other policies. In fact, both groups agree that economic convergence and further European integration go hand in hand, but attempts to overcome the circularity of the debate have not produced any notable result. The Tindemans Report on European Union (December 1975) suggested not a multi-tier but a multi-velocity approach, and on the subject of EMU argued that:

[11] COM(73)550, para. 19.

> It is impossible at the present time to submit a credible programme of action if it is deemed absolutely necessary that in every case all stages should be reached by all the States at the same time. The divergence of their social and economic situations is such that, were we to insist on this, progress would be impossible and Europe would continue to crumble away... This does not mean Europe *à la carte*: each country will be bound by the agreement of all as to the final objective to be achieved jointly; it is only the time-scales for achievement which vary.[12]

The political result of a multi-velocity Community was seen by some member states as the introduction of a political hierarchy, with the fastest members determining the direction and (in so far as excessive lags would be impractical) the overall rate of change. For all the fears of the political stratification of the Community, the pious wishes for increasing co-ordination of national economic policies, and the general consensus that 'the implementation of the EMS . . . must be supported by increased convergence of the economic policies and performances of the Member States' (a quotation from the 'conclusions of the Presidency' issued after the Paris summit in March 1979),[13] the Community remains uncertain about its future and lacks an overall long-term framework, a socio-politico-economic paradigm, into which proposed initiatives can be fitted and their mutual implications assessed. It is for this reason that the EMS negotiations became a disappointing parade of special interests, and why the Community's laggard economies found it difficult to obtain significant transfers of resources from their stronger partners. On 7 December last year, Chancellor Schmidt warned of the danger that monetary instability might cause the Common Market to degenerate so that 'five more years of monetary upheaval in the Common Market will lead us to a situation in which we are dealing with fictions, not realities.'[14]

The problem with EMS is that, along with the imposition of 'essential disciplines' on national authorities, it will reinforce the tendency of the market to concentrate capital and activity in the more competitive areas of the Community, and will deprive the less favoured nations or areas participating in it of the means to protect themselves against this imbalance in economic activity. When the weaker economies attempted to link EMS with resource transfers and budgetary questions, however, they aroused the suspicion that an open-ended commitment to resource transfers would not only cushion but probably retard economic adaptation. The EMS debate has certainly illustrated the limits of political cohesion within the Community. Nevertheless it should be remembered that the Community has made some substantial political progress at a

[12] *Bulletin of the European Communities*, Supplement 1–76, pp. 20–21.
[13] *Agence Europe*, No. 2637, 14 March 1979.
[14] *Financial Times*, 8 December 1978.

time of unprecedented economic crisis—the establishment of the European Council, the gradual advance in European Political Co-operation, the impending direct elections to the European Parliament, the agreement on further enlargement of the Community. Since all this occurred at a time of increasing divergence in the economic performance of the Community's member states, we must examine the linkage between economic and political integration more carefully and not assume that there is a stable relationship between them.

The way forward

European integration was seen 20 years ago more as an engine of growth than as a means of redistribution: 'integration' promised all things to all men as long as growth was sustained and imbalances in development did not become intolerable. In subsequent years, as a result of the disturbance of the international economic system and the increased interdependence of the advanced economies, concern began to be expressed as to the extent to which the dynamics of growth produced redistributions in favour of the developed centre of the Community at the expense of its peripheral regions (or even countries), while the institutional paralysis and enlargement of the Community inhibited agreement on measures to compensate for this imbalance. The effect of the recessionary climate of the 1970s was to turn the Community from an engine of growth and co-operation into a bargaining counter in the struggle of national interests, with no consensus on the future role of the Community or the steps towards it. As John Pinder has noted: 'The illusion that the dilemma of intergovernmentalism or supranationalism can be evaded by co-ordination of national policies is a dangerous one, because it is bound to be followed by disillusion.'[16]

Pinder proposes a way out of this intergovernmental-supranational dilemma by the use of parallel Community instruments which do not depend upon the subordination of national instruments but rather provide additional and optional facilities for co-operation—an 'extranational' rather than 'supranational' Community. Pinder does emphasize that this would involve much greater resources being transferred to the Community than at present, and that this is unlikely until greater equilibrium among the currencies of most member countries is achieved; but he contends that the major virtue of parallel instruments is that they can serve the common interests of member states without removing their capacity for action in any field and can increase Community capabilities without presenting an immediate choice between intergovernmentalism and supranationalism. Overall control over these increased capabilities could be entrusted to the directly elected European Parliament and thus make the ultimate transition to a supranational Community

[16] John Pinder, 'Das extranationale Europa', *Integration* 1/78, p. 18.

less of a step into the realm of unknown policies and untested institutions.

This concept of 'extranational Europe' merits attention because it seems to offer a way of breaking into the circular argument about divergence and integration. It is clear that diversity is unlikely to diminish in the Community and that the prospects of a detailed and realistic 'Grand Design' for Europe are no greater now than they were when the Spaak Report was written. A gradualist and non-confrontational approach to developing Community capabilities seems to provide a way out of the current impasse because it broadens the range of options open to national governments rather than drastically narrowing them. Indeed, the current operation of the EMS (with only eight of the nine Community members participating) could be seen as a step in this direction and as a rejection of the much more rigid approach to economic and monetary union of the Werner Report nine years ago. The recent development of the 'Ortoli facility'—a fund raised by the Commission on the international capital market and disbursed by the European Investment Bank in loans for productive investment according to a list of priorities drawn up by the Council—is another example of the way in which the Community can expand national policy options rather than diminish them.

Given the interdependence of the industrialized economies and their differing degrees of vulnerability to changes in the international economic system, the problems of divergence will remain a permanent feature of the Community and will need to be managed rather than eliminated. Divergence cannot be made to disappear at a stroke, and there is some justification for doubting the assumption that economic divergence is in all its manifestations a Bad Thing. If divergence is partly the expression of different social preferences and cultures, it might be presumptuous, time-consuming, expensive (and impossible?) to eliminate it, and it could be argued that the major political consequence of economic divergence in the Community should be the abandonment of the tendency to confuse further integration with homogenization. If the 'Three Wise Men' can tell us how to maintain political equality in the midst of economic diversity they will have endowed the Community with a priceless gift.

China's Vietnam war: new and old strategic imperatives

DENNIS DUNCANSON

THE 'punitive action' by the Chinese People's Republic (CPR) against the Socialist Republic of Vietnam (SRV) between 17 February and 16 March took the world rather by surprise. It is true that dialectical materialism would lead us to expect that the 1975 Communist victory at Saigon, ending the Cold-War 'contradiction', would give rise to a new 'contradiction' within the victorious alliance—that the thieves would fall out over the spoils—, yet such dialectical materialistic reasoning would have got things right more by luck than judgement. Although China's attack on Vietnam came as the culmination of long frontier skirmishing, which had escalated from Hanoi's eviction of large numbers of its million and a half Chinese residents, through a phase of diplomatic strife and the withdrawal from Vietnam of all Chinese technical assistants, the most immediate wrongdoing that the attack seemed to be meant to punish was Communist Vietnam's conquest of Communist Cambodia and the installation at Phnom Penh, on 7 January, of its own clients in succession to Pol Pot, who was China's client. Furthermore, on the eve of invading Cambodia, Vietnam had entered into a Treaty of Friendship and Co-operation with the Soviet Union (which it was merely '*premature* [my italics] to interpret as a military alliance')[1] and had also joined Comecon—two gestures of alignment against China in the international Communist schism. In public, the two belligerents have accused each other of 'expansion and hegemonism' as a vice of character, but the true causes of their quarrel lie deeper than the propaganda allows.

A mini-USSR in South-East Asia?

I have pointed out before that a dictatorship ruling over a unified Vietnam is usually impelled by a strategic imperative to impose its control over the defence and foreign policy of Laos and Cambodia as well.[2] Although Pol Pot last year procured from the Hanoi Government a

[1] Hanoi spokesman on 7 November 1978, in British Broadcasting Corporation *Summary of World Broadcasts* (SWB), FE/5963.
[2] *The World Today*, July 1978, pp. 260–7.

Mr Duncanson is Reader in South-East Asian Studies at the University of Kent and author of *Government and Revolution in Vietnam* (London: OUP for RIIA, 1968). He was in Peking when the Chinese invaded Vietnam. This article appears simultaneously in German in *Europa-Archiv* (Bonn) and in Dutch in *Internationale Spectator* (The Hague).

formal renunciation of the old Indochina Communist Party's long-standing programme for an eventual Federation of Indochina in succession to the French-administered Union Indochinoise of colonial times, the Vietnamese promise was made in terms easy to escape from: it was given state to state, not party to party, and the vague 'special relationship of friendship and solidarity' offered as a formula for the future of the region, as part of the promise, was logically much more intimate than mere 'friendship and co-operation' with faraway Russia and could not be said to differ in practical effect from what was being renounced. The three treaties (concerning the frontier, economic co-operation, and joint defence) in which the special friendship and solidarity between Vietnam and the Democratic People's Republic of Laos was jubilantly solemnized over the radio in August 1977 have still not been published, nor have those rather more perfunctorily signed on 18 February 1979 (or merely broadcast by Radio Hanoi) between Vietnam and the new regime in Cambodia —the latter evidently complying with the capitulations that the now defeated Pol Pot had previously spurned. There is a direct clue to the treaties' substance, however, in the agreement which, soon after the treaties with Vietnam, the new Cambodian authorities entered into directly with Laos (on 22 March) as part of an elaborate propaganda campaign conducted—presumably to help discredit the impact of the Chinese incursion into Vietnam—over Radio Vientiane (Laos) and Radio Voice of the Cambodian People (Vietnam).

Articles 1 and 2 of the Lao-Cambodian agreement provide for 'scientific and technological co-operation in conformity with each country's aspirations and legal procedures... on the principle of unreserved mutual assistance . . . in all spheres—industry, agriculture, forestry, fishing, trade, communications, postal, information, culture, education, fine arts, broadcasting, television, films, sports, public health, science, technology and other areas'.[3] In other words, the two states, each bound to Vietnam by treaties of solidarity 'which have the same content' as this agreement,[4] are co-ordinating policy in all the aspects of modernization which were the sphere of competence, in colonial times, not of the 'protected' native monarchies, but of the paramount Union Indochinoise and were planned by France to become that of the central institutions envisaged—but for the battle of Dien Bien Phu and the intervention of the first Geneva Conference—for the independent États Associés de l'Indochine; besides being sole authority on Vietnamese soil, the Hanoi leaders will play in Cambodia and Laos the part that French administrators played there before and that Russians play today in the 'autonomous republics' comprising the USSR. There is, of course, no mention of the Party in this

[3] SWB/FE/6077.
[4] Laotian Minister of Information, Sisana Sisane, one of the 'negotiators', to *Far Eastern Economic Review*, 6 April 1979.

document, but there is no rank and file in Laos or Cambodia anyway, and the cadres are nominees of Hanoi. What is more, Prince Souphanouvong, for the Laotian side and in preparation for the signing of the Phnom Penh agreement, was credited with telling the Cambodians that economic construction in his country had been planned with a view to 'our regional military role', implying that that principle would also govern the agreement now being made.[5] Since, after all the butchery, Cambodia is very reliably reported to dispose of a total of 131 people [sic] with secondary education, the Vietnamese must be administering it—as far as it is administered at all—,save that Laos is managing the tribal districts at a distance from Phnom Penh.[6] Ambition no doubt contributes to the Vietnamese leaders' dominion over Laos and Cambodia, but they have cause to be concerned even more with considerations of defence, if not of their realm then of their regime.

Historical precedents

On its side, China faces an opposed strategic imperative to thwart Vietnam's purpose—one which has affected relations between the two for hundreds of years and has been enhanced by the ending of the Cold War and the elimination of Western power from the region. In former times, Vietnam periodically presented a security threat to China, either on the initiative of Vietnamese princes themselves or on that of other powers temporarily occupying Vietnam. Originally part of China, Vietnam owed its separation to the disintegration of the T'ang Empire about A.D. 900 and to the succeeding Sung Dynasty's lack of interest in Tonkin.[7] Thereafter, whilst themselves subject to China in the tribute system for subordinate states, Vietnamese rulers conducted relations with their lesser neighbours on the theory (not endorsed by China) that they were 'the southern court' of a civilization of which the Sung (or Yuan or Ming or Ch'ing) were 'the northern court', asserting on their unilateral initiative and through a tribute system of their own a joint Sino-Vietnamese suzerainty over more barbarous states. On whichever plane of the resulting hierarchy of sovereignties it might be, the feature of the tribute system most prized by tributaries was bestowal of seals of office on the subordinate prince by the suzerain—the 'hegemon'—, without which neighbouring princes, and perhaps his own subjects, might not accept his authority. Repeatedly, Vietnamese princes who had been deposed by rebels among their own people received military help from the northern court with which to fight for their throne back, and from time to time

[5] SWB/FE/6077.

[6] *FEER*, 13 and 20 April 1979. These districts were administered from Laos in the days of the Ho Chi Minh Trail as well (Prince Sihanouk in *Agence Khmère de Presse*, 1 February 1968 and 11 June 1969).

[7] *Viet* (modern Chinese *yüeh*) means the region of Canton, *nam* its southerly dependencies.

they in turn came to the aid of Cambodian or Laotian princes. Usually Chinese intervention was in vain, and the ultimately victorious Vietnamese rebels sued for, and got, Peking's recognition as a new dynasty; in contrast, Vietnamese intervention in Laos and Cambodia usually succeeded.

More than once Vietnamese usurpers harboured ambitions to enlarge their territory at the northern court's expense and inflicted on Cantonese provincial troops defeats that are romanticized in modern historical literature—the last time in the 1790s.[8] But more serious threats to China's security have come, firstly, from third powers making use of Vietnamese territory (the mediaeval Mongols, the French, the Japanese and, some would say, the Americans); secondly, from shelter given to overthrown Chinese rulers (the Sung, the Ming, the Kuomintang); and, thirdly, from the penetration of subversive ideas. Marxist-Leninists do not readily own up to apprehension on this last score, but its relevance to today's disputes was brought out when Vietnamese spokesmen explained to visiting Yugoslav journalists that Pol Pot's particularly tight bamboo curtain round Cambodia was primarily a security screen against ideas inimical to his regime;[9] the preoccupation is certainly shared not only by the Vietnamese Communist Party itself but also by the Chinese CP. As a 'cordon sanitaire', China has tried in the past to install compatible systems of government across its frontiers; backsliding by the Vietnamese from Confucian ideals was argued as a pretext when Ming China reconquered Vietnam briefly in 1407. Fear of penetration by alien ideas worried Chinese mandarins in the nineteenth century as much as loss of territory to European powers, and, during his long career, Ho Chi Minh made a point of reassuring both Chiang Kai-shek and Mao Tse-tung that he was dedicated, first, to Sun Yat-senism and, later, to Marxism-Leninism-Mao Tse-tung Thought.

The dangers China could expect from an unsubordinated Vietnam in the past were, on the whole, limited: Vietnamese territory in the Middle Ages, as well as in 1790 (temporarily), was confined to Tonkin, so that resources for making war were modest. The danger for China of conquest *through* Vietnam was similarly limited when the potential aggressor disposed of that route alone, as was the case with France; but China was totally overrun in the thirteenth century by a double thrust by Mongol armies through Central Asia and Tonkin simultaneously. Thereafter it became policy in China always to avoid simultaneous conflict on the

[8] Van Tan, 'Quang Trung va Na-po-le-ong' (Quang Trung and Napoleon), *Nghien-cuu Lich-su* (Historical Review), No. 58, Hanoi, 1964. Repulsed from China, Quang Trung began to air plans for conquering Cambodia and Thailand (see Alastair Lamb, 'British Missions to Cochin China', *Journal of the Malayan Branch of the Royal Asiatic Society*, Vol. 34, Singapore, 1961, p. 43); he took a first step to that end by invading Laos (Wei Yuan, *Sheng-wu chi*, 1842, transl. G. Devéria, *Relations de la Chine avec l'Annam-Vietnam*, Paris, 1880, p. 40).

[9] *Tanjug* (Belgrade), 15 April 1978, quoted in SWB/FE/5789.

north-west and south-west frontiers, at whatever cost in appeasement the aggressor on one side or the other might exact. For example, the Ming reabsorption of Tonkin in 1407 ended when China was invaded again from Central Asia: Emperor Yung Lo moved his capital from Nanking back to Peking and abandoned his forces in Vietnam, together with the native mandarins who supported them, to the rebel Le Loi—although that time the rebel petitioned for forgiveness and a seal of office to no avail.

Present realities

The circumstances of today have aggravated the historical threats to China's security: the Sino-Soviet dispute, and the alignment in it of the Vietnamese Communist Party with the Soviet and of the Vietnamese state with Comecon, opens up the new possibility of attack one day on China's two vulnerable fronts under closer co-ordination if not actually under a single military command. It may be wondered why these developments were not foreseen when Peking was lending its best efforts in the Cold War against the United States to help the Vietnamese Communists conquer South Vietnam: some commentators at the time expected Mao Tse-tung's government to encourage the emergence of a second Communist regime in South Vietnam, independent of Hanoi. However, such a policy would have been viewed in international Communist circles as betrayal of the world-revolutionary programme, at a time when Mao was wooing CPs outside the Soviet bloc for acknowledgement of the Chinese party's paramountcy. At times Mao was shrewd in foreign and defence policy, as when he appeared to calculate in 1965 that the US, though at the height of its Cold-War resolve, would not be tempted to invade Communist North Vietnam and unseat Ho Chi Minh, still less attack China, so that there was no need to seek rapprochement with the Soviet party and resumption of munitions supplies from the USSR, as some generals urged him; but Mao seems not to have foreseen that the Sino-Soviet dispute would result in the 'contradiction' of a new Cold War exclusively between Communist power blocs, state against state: for him, it appeared, the world of Communist states remained one, and his quarrel with the Russian leaders was over succession within it to the paramountcy which had previously passed from Lenin to Stalin and, on the latter's death, ought to have devolved on himself.

Today, with Mao dead, that aspect of the dispute is all but eclipsed, and with it the theoretical *Polemic on the General Line of the International Communist Movement*. Instead, Hua Kuo-feng and Teng Hsiao-ping face, as rulers rather than ideologues, the power-reality of a hostile USSR meanwhile grown stronger in its armaments technology, in its network of diplomatic clientèle in and out of the Communist world, in its alliance with Vietnam, and in the deployment of its navy to the north and south

of China's coastline—the last all the more ominous for a Chinese regime constantly reminding its masses of the indignities of the Opium Wars, fought at sea, and trying to vindicate exclusive rights to oil on the islands and under the bed of the South China Sea. Peking patronage of Pol Pot, for all the unsavoury reputation that brute had earned in the world at large, was an expedient to prevent or delay the consolidation of Hanoi's power on China's southern frontier, and, when he was overwhelmed by Vietnamese arms notwithstanding Chinese patronage, the punitive action might retrieve some part of the ground, besides the prestige, lost by Peking.

Widening strategic horizons

CPR prestige has been restored among the Overseas Chinese, and even in Taiwan (grudgingly), but it is hard to see much else the punitive action achieved. That the material destruction to Vietnam's borderlands was heavy is admitted in Hanoi, and one can believe, against Hanoi, that it concentrated on a new Maginot Line along the frontier.[10] But Peking admits it was costly in casualties to China;[11] the Vietnamese CP could not be forced out of Cambodia, whereas Chinese pioneer troops who have administered Phong Saly province in Laos since 1962 have had to withdraw. Even if there has been some dislocation of the SRV's industrial infrastructure, the lessons of American bombing show that CP policy will not change unless the regime itself can be shattered; but it cannot be, by Peking any more than by Washington, for fear of world-wide opprobrium, of risk of failure in installing a substitute, and above all of Soviet 'punitive action'. The Hanoi Party can therefore carry on consolidating its mini-USSR, putting Cambodia under the plough again—if necessary using Vietnamese peasants accounted politically unreliable at home—as a breadbasket both for Laos and for an increasingly militarized Vietnam. Peking, on its side, is bound to try to upset the process and destabilize the Vietnamese CP's internal regime. But by what means? The Lao Communists reply: by reoccupying Phong Saly and thence infiltrating guerrillas throughout Laos[12]—and no doubt by keeping Pol Pot's guerrillas active in Cambodia, perhaps under the nominal leadership of Prince Sihanouk from Peking.

However, for all the reputation of Communist guerrillas for invincibility—nowhere has a South-East Asian government crushed them yet—their positive victories have all been won in open societies against governments with their hands tied by foreign public opinion; we have yet to see a 'people's war' succeed against a totalitarian government: gradual extermination by the SRV of guerrillas inside Indochina aligned with

[10] *New China News Agency*, 1 March 1979.
[11] *Daily Telegraph*, 30 April 1979.
[12] See note 4 above.

the CPR may call only for ruthlessness. Whether that happens or not, the conflict between Vietnam and China for control of Communist guerrillas has already spilled over into neighbouring countries. Ever since coming to power, both CPs have related their external policy to national liberation and world revolution: in 1976 Hanoi reiterated its dedication 'to co-operation in revolution in South-East Asia' and still serves notice that 'whatever force [today, the Vietnamese CP] occupies the Indochina peninsula, with a rear base on the Annamite Chain [Vietnam] and the Plain of Jars [Laos], holds the key to control of all South-East Asia';[13] since the death of Mao, Peking has reaffirmed its dedication 'to turning bourgeois countries into proletarian states by violent revolution' in the wider world.[14] Before recent hostilities began, Vietnamese and Chinese leaders toured South-East Asia distributing reassurances that they had no hostile aims beyond Indochina but accusing each other of just that. Pham Van Dong, for Vietnam, promised not to support the guerrillas in Thailand—but, of course, Thai guerrillas are loyal to China.[15] Teng Hsiao-ping, for the latter, repeated an argument long used by China in negotiations with South-East Asian countries for 'normalization' of diplomatic relations, that Chinese encouragement of local Communist guerrillas (e.g. by broadcasts from Yunnan) came, not from the Chinese State, but from the Party, to fraternal CPs, whose dissidence was an internal affair for the various governments under attack; Teng added that Pham, in pretending to renounce Vietnam's predatory aims in Thailand, was a liar.[16]

Just as in Laos and Cambodia, Vietnamese ambition beyond Indochina coincides with an imperative once voiced by the Tsarist Foreign Minister, Gorchakov: annexation of one 'barbarous' khanate on Russia's borders 'in the interests of order' led to conflict with another beyond, 'and thus the boundary of civilization was inevitably extended'.[17] 'Socialist transformation' of Laos and Cambodia may dictate to Hanoi as an imperative, more than it tempts as an opportunity, vindication of Indochinese claims to Thailand's north-east, only ruled from Bangkok since 1827 (when also Vietnam annexed Cambodia) and peopled largely by Lao and Khmer peasants with a small Vietnamese minority. Enforcement of such a claim, followed either by annexation to Indochina or by con-

[13] Statement reported in *FEER*, 27 February 1976; *Nhan Dan* (The People), 24 March 1979.

[14] Editorials in *People's Daily* (Peking), 12 and 14 June 1977.

[15] Pointed out by Tan Sri Ghazali Shafie (Malaysian Minister for Home Affairs), *New Straits Times* (Kuala Lumpur), 21 April 1979.

[16] *NCNA*, 8 November 1978. However, use of Chinese territory for promoting revolution is encouraged by art. 59 of the 1978 Constitution (previously art. 29). For a fuller discussion, see Duncanson, *Peacetime Strategy of the Chinese People's Republic* (London: Institute for the Study of Conflict, 1977), pp. 22–5.

[17] H. Seton-Watson, *The Russian Empire 1801–1917* (London: Clarendon Press, 1967), p. 442.

stitution of Bangkok itself as the first in a belt of satellites modelled on Eastern Europe, would be the work, not of plodding guerrillas, but of Vietnam's heavy artillery, poised barely 120 miles away. China must therefore keep *its* guerrillas in trim (easier on non-totalitarian territory) as a destabilizing agent against such a daunting rival, allied with the Soviet Union; only if the governments of South-East Asia entered into closer ties with China against Vietnam and thence Russia is it likely that China would jettison the guerrillas. For their part, South-East Asian governments cannot quite reach a common view which of the two Communist powers represents the greater danger for them; they dare not be drawn into a provocative entente, least of all an anti-Soviet one. Closer ties with China, starting with a 'normalization' that Indonesia and Singapore have shown special reluctance to carry through, would open the door to resumed contact between the CPR and overseas Chinese communities whom most governments—remembering, for one instance among others, the Jakarta coup d'état in 1965—still regard as a Trojan horse, despite Peking's denials. In so far as one of its differences with China has been over Chinese consulates in Vietnamese cities possessing a Chinese community, South-East Asian opinion exhibits an element of fellow feeling for Hanoi at the present juncture. Reception of recent shiploads of 'boat people'[18] has been cooled even further by the fact that most of them have been Chinese by race, and the Indonesian view of Vietnam is in any case softened by a residue of sympathy generated in the early 1950s between Ho Chi Minh and followers of Sukarno who persuaded themselves that Ho was engaged in the same nationalist struggle as they were. There is general anxiety that eventually Peking, without drawing South-East Asian governments into the Chinese state system—for which there is no historical precedent—might try to replace them with amenable 'tributary' governments willing to acquiesce, for example, in CPR claims over the South China Sea.

No masterpiece of drafting at the current Sino-Vietnamese peace talks can be expected to resolve the conflict of strategic imperatives. Even an agreement, necessarily secret, to partition South-East Asia into zones of 'hegemony', as foreshadowed by Prince Sihanouk a decade ago if America retreated from the region, would only meet the case if Vietnam withdrew from Comecon—a precedent too sinister for Moscow to countenance. Prospects are poor for South-East Asia's 'zone of peace'.

[18] This term contains a sad and little known irony: 'boat people' has for centuries been the term of contempt for Chinese people in Vietnamese parlance and even literature.

Post mortem on the Third Indochina War

MICHAEL LEIFER

'The outstanding question concerning China's military intervention in Vietnam is not whether Vietnam has been chastised but whether it has been chastened by the experience.'

THE successive military actions conducted by Vietnam against Cambodia and by China against Vietnam suggest a close correspondence of attitudes on the part of the governments of the larger states towards those of their smaller neighbours. These attitudes would seem to indicate a reversion to a pre-colonial pattern of relations between affronted suzerains and recalcitrant vassals. Indeed, historical precedents exist for the recent conflicts in Indochina.[1] What lends a measure of distinctiveness to the interrelated confrontations is the extent to which the larger states have perceived their smaller neighbours to be engaged in unholy alliances to their detriment. The governments of both Vietnam and China regarded their respective counterparts in Cambodia and Vietnam as ingrates and upstarts: ingrates because they had refused to acknowledge the extent to which revolutionary success had been facilitated by external assistance; upstarts, because they had expressed their political independence in an obdurate and uncompromising manner. But the decisive incentive to undertake successive military actions was the perceived collusive association between a smaller neighbour and a principal adversary.

The openly declared break between the Cambodians and the Vietnamese, precipitated by the former on 31 December 1977, was construed in Hanoi as the creation of 'a bridgehead of aggression' on behalf of the Chinese. It was later maintained that 'They used the reactionary and genocidal Pol Pot-Ieng Sary fascist gang to make war, nibbling at the south-western border of our homeland hoping to squeeze us in a vice.'[2] It was from this juncture that the Politburo in Hanoi came to the decision that it would have to assert rather than negotiate the special relationship to which it had long aspired for the whole of Indochina and which had

[1] See Dennis Duncanson's article in this issue, especially pp. 243–5.
[2] *Vietnam News Agency*, 4 March 1979, BBC *Summary of World Broadcasts* (SWB), FE/6059/A3/3; see also *The Vietnam-Kampuchean Conflict* (Hanoi: Foreign Languages Publishing House, 1979), p. 34.

Dr Leifer is Reader in International Relations at the London School of Economics and Political Science. This article is based upon a recent talk given at Chatham House.

been partly consummated through a Treaty of Friendship and Co-operation concluded with Laos in July 1977.[3] For the Chinese, the issue of Cambodia served as a catalyst in moving relations with Vietnam past a point of no return, if expressed symptomatically over the alleged persecution of its resident Chinese community. Central to Chinese calculations was the view of Vietnam as the political surrogate of the Soviet Union. The strengthening of Vietnamese-Soviet economic relations through Hanoi's membership of the Council for Mutual Economic Assistance (CMEA or Comecon) in June 1978 and then its conclusion of a Treaty of Friendship and Co-operation with the Soviet Union in the following November confirmed for Peking the client status of the Vietnamese Government. Indeed, it was more than coincidence that the treaty was signed just one month before the announcement of a so-called Kampuchean National United Front for National Salvation in opposition to the incumbent government in Phnom Penh with open Vietnamese support and evident inspiration as well as Soviet endorsement. The Chinese commented on the day that Phnom Penh fell to Vietnamese forces utilizing the political cover of this united front: 'As is known to all, it is to serve the Soviet Union in its expansionist strategic plan that the Vietnamese authorities have invaded Kampuchea so recklessly.'[4]

If Vietnam and China respectively have demonstrated corresponding attitudes towards Cambodia and Vietnam, their military actions were different in terms of political purpose and effect. The Politburo in Hanoi came to regard its counterpart in Phnom Penh as intolerable in terms of its political identity and external affiliations, apart from its spoiling intrusions into the 'New Economic Zones' of Vietnam adjacent to the common border. It sought with success to change that identity and attendant external affiliations and in some haste concluded a Treaty of Peace, Friendship and Co-operation with the newly installed client government headed by Heng Samrin on 18 February 1979, which has served as a public justification for the deployment of Vietnamese forces in Cambodia. Through its military intervention in Cambodia in order to change the Government in Phnom Penh, Vietnam violated the cardinal rule of the international system which has protected the fragile integrity of many post-colonial political entities. Indeed, it is an irony of some interest that the Chinese Government has learned to play the game of international relations and to use the idiom of Western primers on the subject in denouncing the transgressions of Vietnam.[5]

As a matter of political self-respect and in response to its view of Viet-

[3] For a discussion of Vietnamese policy since the end of the Second Indochina War, see Dennis Duncanson, '"Limited Sovereignty" in Indochina', *The World Today*, July 1978.

[4] BBC SWB, FE/6010/A3/3.

[5] See, for example, the NCNA commentary on 18 March 1979 in BBC SWB, FE/6071/A3/3–4.

nam as an externally inspired regional poacher, the Chinese Government set out to act as regional gamekeeper to place its neighbour under constraint. China's limited military intervention and punitive expedition was not intended to challenge the existence of the Government in Hanoi; it was intended to underline the geopolitical context of Sino-Vietnamese relations and to demonstrate that Vietnam could be readily chastised despite a treaty of friendship with the Soviet Union which contained an explicit security clause. At the same time, the Chinese Government probably entertained hopes that the additional demands placed on the military resources of Vietnam would serve to impede its consolidation of effective control within Cambodia. The Chinese Government justified its intervention as a counter-attack in response to alleged intolerable cross-border violations. But Vice-Premier Deng Xaioping (Teng Hsiao-ping) had not only let it be known previously that China intended to teach Vietnam a lesson but also, after the onset of the intervention, that it sought to explode the myth of Vietnamese invincibility. He described China's aim more pungently after the withdrawal of troops was under way by using the Maoist aphorism, 'You can't know the reaction of the tiger if you don't touch his arse.'

Both Vietnam and China have faced problems in expressing their political purposes in military terms. For Vietnam, it was essential to effect a political fait accompli in an expeditious manner because of concern that the government of Pol Pot was consolidating its position internationally as well as domestically. Despite its gruesome record of atrocities, there was every indication during 1978 that the non-Communist governments of South-East Asia and their Western sympathizers wished to see the independence of Cambodia perpetuated. A limited military intervention in Cambodia of the kind undertaken by the Vietnamese Communists from the end of March 1970 after the deposition of Prince Sihanouk by Lon Nol would have permitted greater opportunity for more direct involvement by China in support of the Pol Pot administration. It would also have made possible more explicit furnishing of proof that a Vietnamese invasion of Cambodia had been undertaken. In addition, given its major internal economic and administrative problems, the Vietnamese Government had every reason to seek to avoid a protracted and costly pacification. These factors determined the mode and speed of military intervention which began on Christmas Day 1978 and which culminated in political terms in the seizure of Phnom Penh on 7 January 1979.

This initial victory was of a less than complete nature because the lightening motorized military thrusts with air support along the main lines of communication led to the capture of long emptied towns. They by-passed the main concentrations of the Pol Pot army which had made only a limited attempt to stand and fight. A prior decision to embark on

'a protracted war in accordance with our People's War strategy' drew an invading Vietnamese army of approximately 100,000 soldiers into the very situation it had wished to avoid. It found itself entangled in a continuing war against tenacious opposing forces operating in small units in familiar terrain and on the basis of tried experience obtained between 1970 and 1975. The Vietnamese offensive captured towns but not concentrations of population and their forces became dependent on vulnerable and over-extended lines of communication requiring supply by Soviet airlift. In addition, the legacy of the terror of the Pol Pot era played a part in denying the Heng Samrin Government the full adherence of the displaced and tormented people of Cambodia. By the middle of April, the Vietnamese forces had succeeded in eliminating major military outposts of Pol Pot loyalists in the south-west and north-west of the country in an endeavour to break the back of the resistance before the onset of the monsoon. The guerrilla war, however, is likely to continue through the rainy season. Indeed, the longer it persists, the greater the prospect that the issue of occupation and domination by the traditional enemy of the Cambodian people will eclipse the horrific record of the previous regime. And in the meantime, the Government of the new People's Republic of Kampuchea faces overwhelming economic and administrative difficulties.[6]

China also set out to register a political gain by military means, although it never identified a tangible target whose attainment would make it evident to all who mattered that Vietnam had been taught a lesson. In the event, China demonstrated that it possessed the firepower (as well as the dispensable manpower) to break through Vietnam's defence perimeter and to lay waste to its northern border region. If its army did not deliver an overwhelming striking blow against its Vietnamese counterpart, it was not only because the Chinese restricted their intervention to close country but also because the Vietnamese were not prepared to accept full battle in circumstances where their superior firepower could not be deployed to best advantage. The actual military confrontation was not distinguished by a decisive and dramatic turning-point of the kind so manifest in the Sino-Indian border war in October 1962. But the Chinese Government did demonstrate that it was not intimidated by the close relationship between Vietnam and the Soviet Union and that it could chastise Vietnam at acceptable cost and without suffering a retaliatory blow. China's *Liberation Army Daily* commented on 8 March 1979: 'Now the Vietnamese agressors should understand that the Chinese people are not to be bullied and that no one will be allowed to throw his weight around and run amuck just because he thinks he has the support of Soviet social-imperialism.' Of course, the sense of limitation to the

[6] For a graphic account, see Nayan Chanda, *Far Eastern Economic Review*, 13 April 1979.

military confrontation was an important factor in the caution and restraint exercised by the Soviet Government.

The outstanding question concerning China's military intervention in Vietnam is not whether Vietnam has been chastised—that much is evident—but whether it has been chastened by the experience—to the extent of conceding one of China's implied objectives, namely, to loosen Vietnam's grip on Cambodia. The Chinese military intervention has increased the price which Vietnam has been obliged to pay for the sake of asserting a special relationship with its smaller neighbours in Indochina. But there has not been the slightest indication that the Politburo in Hanoi has entertained any willingness to compromise over its long-standing proprietary aspiration. On the contrary, every military effort has been made to crush the resistance to the client Heng Samrin administration despite and because of the Chinese military action. In addition, while it may be argued that Vietnam has been chastened in terms of its assumptions about China, it is also possible to maintain that Vietnam has now reached the full extent of its strategic bounds and has neither the capability nor the intention of pressing beyond them. In other words, as far as the catalytic issue of Cambodia is concerned China's military action may be represented as an example of locking the stable door after the horse has bolted.

Neither Vietnam nor China have accomplished all their political objectives. For both countries the issue of Cambodia is central to their embittered relationship. This stricken state will continue to serve as a major source of tension, at least until the matter of its political identity is clearly resolved: that is, until either the Pol Pot resistance is effectively crushed or the client government installed by Vietnam crumbles and its patron is obliged to withdraw its occupying army. The former circumstance would seem much more likely than the latter one. But there would also not seem to be any early prospect of China being reconciled to Vietnamese hegemony in Indochina. In consequence, the association between Vietnam and the Soviet Union is likely to be reinforced further depending, of course, on the economic burden which Moscow is willing to bear in sustaining a Vietnamese-dominated Indochina in the interest of containing China.

ASEAN's priorities and Thailand's predicament

The crisis in Indochina has posed an acute problem of priorities for the member governments of the Association of South-East Asian Nations. ASEAN is above all else an intergovernmental body and, where security issues are concerned, it is barely more than the sum of its separate parts. Indeed, it lacks a common strategic perspective in the sense that its five governments are not bound by the same view of the source of major external threat. Thus, the Vietnamese invasion of Cambodia did not

generate a common private response, even though there existed a general preference for an independent Cambodia rather than one subject to the *diktat* of Hanoi. For example, the Government of President Suharto has always perceived China rather than Vietnam as its principal source of external threat by contrast with the view held in Thailand.[7] Indeed, the independent nationalist Indonesian newspaper *Merdeka* later argued that the presence of Vietnamese troops in Cambodia was important to maintain stability in Indochina 'in the face of intervention from a super-power'.[8]

In the event, the ASEAN states through a meeting of their Foreign Ministers in Bangkok last January maintained diplomatic solidarity in the wake of the Vietnamese invasion of Cambodia. They deplored the armed intervention, if without naming the transgressor, and urged a withdrawal of foreign forces. This collective view was reiterated after China's military action against Vietnam indicating a willingness to link the two issues; a position regarded with satisfaction in Peking and with annoyance in Hanoi. It was further confirmed in mid-March 1979 when ASEAN as an entity secured non-aligned sponsorship for a draft resolution before the United Nations Security Council requesting that 'all foreign forces withdraw from the areas of conflict', an initiative which failed because of the Soviet veto and which attracted a threatening retort from Vietnam.[9] Whatever the force of private misgivings, a process of internal debate within ASEAN, which centred on the need to assert solidarity with front-line member Thailand, produced the public consensus that of the two military interventions that by Vietnam into Cambodia, which removed an incumbent government, was the more serious matter. It undoubtedly represented a greater shock to the collective nervous system of the association because of the freely dispensed assurances of non-intervention by Vietnam's Prime Minister, Pham Van Dong, during his tour of ASEAN capitals in September and October 1978. Seen in this context, Vietnam's invasion of Cambodia was an act of treachery. It served to promote second thoughts about the purpose of the draft treaties of friendship in which Pham Van Dong had sought to interest the ASEAN Heads of Government.

If misgivings by some members of ASEAN over the appropriate diplomatic response to Vietnam's military intervention were overcome publicly because of the need to demonstrate solidarity with the exposed

[7] See the interview with President Suharto in *The Asian Wall Street Journal*, 21 February 1979.

[8] 20 March 1979.

[9] A *Nhan Dan* editorial of 18 March 1979 commented: 'It should be remembered that certain Asean countries supported the US war of aggression in Indochina. We are prepared to forget this debt... But these countries should not make another mistake. They should refrain from colluding with the Chinese reactionaries and other imperialist forces against Vietnam, Laos and Kampuchea.' See BBC SWB, FE/6072/A3/9.

position of Thailand, they arose also over China arrogating to itself the role of regional gamekeeper. In Jakarta, China's conduct has served to confirm long-standing attitudes towards the People's Republic rather than to revise them. And the fact that one motive for China's military action against Vietnam was the alleged persecution of the resident overseas Chinese community has generated a general apprehension within ASEAN over any future Chinese involvement in support of the interests of the economically powerful overseas Chinese communities of South-East Asia. In addition, some governments have recalled the refusal by Deng Xiaoping to renounce support by the Chinese Communist Party for revolutionary movements in the region during his visits in November 1978 to Thailand, Malaysia and Singapore. General concern has been expressed also at the ASEAN states becoming caught up in an extra-regionally rooted Sino-Soviet conflict being played out in Indochina.

The common response of the ASEAN states to the successive military interventions in Indochina has demonstrated the cohesion of the association as a diplomatic community. The nature of that response has demonstrated also its limitations as a de facto security organization without the structure, capability or quality of shared interests of an alliance.[10] Indeed, the abortive attempt to secure the passage of a resolution by the Security Council represented an endeavour to overcome a sense of impotence and to register a claim that the association possessed a legitimate proprietary right to share in the management of regional order in South-East Asia.

Of the ASEAN states, the most acute security problem has been posed for Thailand because of its location. The forcible removal of the Pol Pot Government in Phnom Penh meant the elimination of a partial buffer between the Thais and an historical enemy.[11] In the event, the Thai Government has been faced with two distasteful prospects. The first of these, which it has sought to avoid, is any entanglement in the continuing military conflict within Cambodia. Embarrassment has been caused in Bangkok by statements from Vice-Premier Deng Xaioping and Prince Norodom Sihanouk that the Thai Government was a willing party to the supply of arms to Pol Pot loyalists within Cambodia, and alarm has been experienced at Hanoi's and Phnom Penh's questioning of its declared non-involvement and neutrality. Although the Thais were not displeased privately at the retribution handed out by China to Vietnam, they have been concerned not to appear a party to Chinese attempts at intervention in either Cambodia or Laos whose relations with the Government in Peking deteriorated markedly from early March 1979. Thailand, given its internal condition, is much too vulnerable to Vietnamese opportunity to exploit multiple insurgency for its government to

[10] See Michael Leifer, 'The Paradox of ASEAN', *The Round Table*, July 1978.

[11] For an assessment of Thai interests in and policy towards the Cambodia of Pol Pot, see Roger Kershaw '"Unlimited sovereignty" in Cambodia: the view from Bangkok', *The World Today*, March 1979.

countenance any open support for the passage of arms and supplies as well as the re-entry of Khmer Rouge forces into Cambodia. Prime Minister General Kriangsak Chamanan has reiterated his Government's formal position of neutrality. Indeed, his visit to Moscow in mid-March represented an attempt, in part, to trade assurances with the super-power patron of Hanoi concerning Thailand's relationship with China and its non-involvement in the supply of arms through its territory to Cambodia and also Vietnam's intentions in mainland South-East Asia.

If the Government of Thailand has been apprehensive at the prospect of being drawn into the military conflict across its eastern border in Cambodia, it has entertained longer-term fears arising from the likely consolidation of Vietnamese power throughout Indochina. The Vietnamese Communists have demonstrated a fierce determination to attain such a goal despite the costs involved. The eventual confirmation of their position evokes the spectre of a hereditary enemy dominant along the whole length of Thailand's eastern border. Indeed, it is possible to contemplate by the turn of the century the existence of a major concentration of power in Indochina against which Thailand might stand in the same relationship as does Finland to the Soviet Union, with the same obligation to take special account of the interests of its more powerful neighbour. The internal weakness of Thailand arising from economic difficulties and social change expressed in part in an extensive incidence of insurgency makes its Government extremely vulnerable to external pressure. It is one thing to bend diplomatically with the prevailing external political wind, it is another to seal off the soft exterior of an easily penetrated state. Thailand is the paramount example of the states of ASEAN being obliged to wait on events.

The pattern of power in Indochina

In retrospect, the Chinese Government can derive satisfaction from the fact that its army has chastised Vietnam at acceptable cost and without any attempt at retaliation by the Soviet Union. Also Chinese troops were able to withdraw from Vietnam on their own terms and in good order without being subject to harassment. Yet, such evident chastisement has not in any way weakened the determination of the Politburo in Hanoi to hold on to Vietnam's asserted position in Indochina. Indeed, apart from persisting with pacification in Cambodia, it has swung the Government of Laos publicly against that of China without disturbing the developing relationship between Vientiane and Bangkok. It has also inspired the deployment of Laotian troops into Cambodia.

The retention and recognition of its special position in Indochina is central to Vietnam's view of its future relationship with the ASEAN states. Thus, while the Government in Hanoi has indicated a readiness to enter into a political accommodation with them, it is only prepared to

do so on the basis of their recognition of the fait accompli effected on 8 January 1979 with the proclamation of the People's Republic of Kampuchea and on 18 February with its conclusion of the Treaty of Peace and Friendship with Vietnam. In other words, the ASEAN states are expected to regard the incorporation of Cambodia within an exclusively Vietnamese sphere of influence as a special case without prejudice to future relations between them and the Hanoi Government. The prospect of accommodation was indicated by inference in the Vietnamese-Cambodian treaty. Article 5 states inter alia: 'Being countries in South-East Asia, the SRV and the PRK persistently pursue a policy of friendship and good neighbourliness with Thailand and the other countries in South-East Asia, and actively contribute to peace, stability and prosperity of the South-East Asian region.' The consequences of non-co-operation on Vietnamese terms were implied in the next sentence in euphemistic terms: 'The two sides will develop the relations of co-operation with the independent nationalist countries, the national liberation movements and democratic movements, and resolutely support the struggle of nations for peace, national independence, democracy and social progress.'[12]

The ASEAN states have still to accord recognition to the new Government in Phnom Penh. Indeed, it is not yet in a position where it can request such recognition with any confidence or validity. But in time, they will almost certainly be obliged to come to terms with the shift in the balance of power in Indochina. China, however, is much less likely to be reconciled to such a political fait accompli.[13] Such an attitude will sustain Sino-Vietnamese tensions and reinforce the special relationship with the Soviet Union which is a matter of concern to the ASEAN states. Indeed, given the public position adopted by ASEAN in linking the successive military interventions in Indochina, the association has lost any limited leverage for detaching Vietnam from the close political embrace of the Soviet Union.

The Soviet Union has been a political beneficiary of the crisis in Indochina. Its military obligations to Vietnam were never put to a full test because Sino-Vietnamese confrontation was never fully played out on the field of battle. But there is a sense, none the less, in which its credibility as an ally has been slightly tarnished. After all, China's military action against Vietnam was the first occasion on which the territory of a formal ally of the Soviet Union had been invaded, except, of course, by the Soviet Union itself. In the circumstances, it has been incumbent on the Soviet Government to provide adequate economic and military assistance for Vietnam to both shoulder its internal problems and consolidate its dominance in Indochina. It remains to be seen just what price

[12] BBC SWB, FE/6047/A3/15.

[13] Note the Chinese proposals put forward on 26 April at the Sino-Vietnamese negotiations in Hanoi. BBC SWB, FE/6102/A3/1–9.

the Soviet Union is prepared to pay to uphold the interests of its junior partner. However, the relationship of dependence has given the Soviet Union unprecedented political access to a renowned 'socialist' state and possibly important naval facilities on a regular basis for its Pacific fleet.

The reality of the pattern of power in Indochina, with implications for the rest of South-East Asia, is that it has not enjoyed a stable and enduring quality since the Japanese Armed Forces shattered the edifice of colonialism nearly 40 years ago. Central to this lack of stability has been a series of interrelated and interlocking internal and external conflicts over the appropriate exercise of power within the states of the peninsula. In the immediate future, the prospect is for a dominant Vietnam in Indochina unless the Government in Peking is prepared to embark on a decisive second round. In these circumstances, the non-Communist states of South-East Asia (including odd man in, Burma), although diplomatically in harmony, are beset by a sense of perplexity and helplessness. The new balance of power promoted by Vietnam with the backing of the Soviet Union is not to the liking of the ASEAN governments, yet they are without the capability and the common interest to attempt to restore the status quo ante bellum. And there is no source of external countervailing power to which they can turn to remedy matters to their political satisfaction. They will thus be obliged to tread with caution a diplomatic path between the extremes of regional polarization and undue accommodation to the state which some have dubbed the Prussia of South-East Asia.

One conspicuous irony of this discussion of the consequences of the most recent crisis in Indochina is that it has been possible so far to avoid any mention of the United States. Although its Government would have preferred an independent, albeit inhumane, Cambodia, and President Carter expressed his deep commitment 'to the integrity, freedom and security of Thailand', the United States has played a marginal role. It indicated some toleration of China's military action while it was in train and was a cautionary influence on the Soviet Union. But it was not in a position to try to prevent the emergence of a new pattern of power in Indochina, one which it had sought unsuccessfully to deny at so much cost. Indeed, its suspension of the process of normalization of relations with Vietnam following its invasion of Cambodia served to confirm Hanoi's special relationship with Moscow. During General Kriangsak's visit to Washington in February this year, President Carter reaffirmed the validity of the American commitment to Thailand under the Manila Pact (or SEATO treaty) of September 1954. It remains to be seen whether or not it will be necessary, in the future, for the Government of Thailand to request that such a commitment be honoured. It will depend on the degree of reconciliation to the new pattern of power in Indochina and also on whether that pattern of power satisfies sufficiently the interests of those who have brought it about.

Albania's self-chosen predicament

MICHAEL KASER

Recent documents supply proof that the pattern of dismissals, reinstatements and executions of Albanian Party leaders has closely followed power changes in Peking. After the final break with China, Albania has affirmed its aversion to association with any major power.

Two diplomatic Notes last summer formalized the end of a Sino-Albanian alliance of 17 years standing: that of 7 July 1978 was from the Chinese Ministry of Foreign Affairs—an act of state; the reply of 29 July was from the Central Committee of the Albanian Party of Labour—a Party statement.[1] This article draws from these Notes the new indications they give of the origins and fluctuations of the divergence between the political orientations of the Albanian and Chinese governing parties, and analyses them in relation to the remarkable simultaneity of government or policy changes in Peking and Tirana. It does not need to recall the tempestuous passage of Enver Hoxha's Secretary-Generalship of the Party (since the First Party Conference of 1943) and of Mehmet Shehu's Chairmanship of the Council of Ministers (since 1954) through succeeding internal crises and external alliances: there are books in such detail and degree of certainty as imperfect Albanian documentation allows[2] and two excellent articles which take their accounts to the very eve of the break with China in mid-1978.[3]

In stating its view of the causes of that rupture, the Albanian Party confidently proclaimed its hostility to all the major powers and called for the support of the common man throughout the world:

[1] The Notes are translated into English (with a comment by the present writer) in B. Szajkowski (ed.), *Documents in Communist Affairs*, Vol. II, *1978* (Cardiff: University College Cardiff Press, 1979), and into French in T. Schreiber, *L'Albanie: évolution politique économique et sociale, Notes et études documentaires*, No. 4482 (Paris: La Documentation Française, 1978).

[2] To the bibliography of English and French works in Schreiber, *op. cit.*, pp. 119–20, should be added R. Marmallaku, *Albania and the Albanians* (Hurst: London, 1975), A. Logoreci, *The Albanians* (London: Gollancz, 1977) and P. Prifti, *Socialist Albania since 1944* (Cambridge, Mass.: MIT Press, 1978).

[3] J. Birch, 'Albania—the reluctant puppet', *Journal of Social and Political Studies*, Vol. 2, No. 4; F. S. Larrabee, 'Whither Albania?', *The World Today*, February 1978. Schreiber, *op. cit.* pp. 21–68, has an equally thorough political review to the end of 1978.

The author is Reader in Economics and Professorial Fellow of St Antony's College, Oxford; the article is the revised text of a recent talk at Chatham House.

> The Albanian people . . . will fight uncompromisingly through to the very end against US imperialism, Soviet social-imperialism, modern revisionism and world reaction. . . The Chinese leadership will fail both in its sermons and in its intrigues. The reactionary act it committed against Albania is revolting to the conscience of every honest man and woman in the world.

The revelations of the Notes support the view that Hoxha allied himself with the Chinese 'Gang of Four' and was unable to accommodate to Hua Guofeng (Hua Kuo-feng) and Deng Xiaoping (Teng Hsiao-ping). In taking that stand Hoxha for the fourth time cut Albania loose from a major donor of economic aid. The first break severed links with the West: a trial of non-Communist nationalist leaders in June 1946 alleged the complicity of the British Military Mission and in October 1946 Albanian mines had (in the judgement of the International Court of Justice) sunk two Royal Navy destroyers off Corfu. The economic cost was modest, for UNRRA assistance was all but terminated.[4] The second break, with Yugoslavia, ended aid which since 1945 had cumulated to some $33 m., but which would no longer have been international aid if the Albanian Party had accepted the proposal of Koci Xoxe (Party Secretary for Organization and Minister of the Interior) that the country apply for republican status within Federal Yugoslavia.[5] The third time, Soviet assistance, amounting to $150 m. during the decade of that alliance, and all trade were stopped when the Albanian Party turned to China in 1961.

Benchmarks in Sino-Albanian relations: the Cultural Revolution

It was only superficially an identification with Mao's campaign of 1966 that led Hoxha to conduct his own 'Cultural Revolution', for it strengthened the Albanian Party while Mao's deliberately weakened his. The Albanian measures significantly differed from the Chinese, ranging from the closure of all churches and mosques and the proscribing of all religious activity[6] to the abolition of income tax. Like in China, however,

[4] It was worth $26 m. in contemporary prices. For the source of these and the other valuations of aid to Albania cited here, see M. Kaser, 'Trade and aid in the Albanian economy' in *East European Economies Post Helsinki* (Washington, D.C.: Government Printing Office, 1977), pp. 1325–40, which also contains a comprehensive assessment of the present-day Albanian domestic economy, M. Kaser and A. Schnytzer, 'Albania—a uniquely socialist economy', *ibid.*, pp. 567–646.

[5] See Birch, *op. cit.*, p. 277.

[6] For a recent visitor's account see A. J. Pelosi, 'A dying Church', *The Tablet*, 3 March 1979. He observes that 'the recent election of a Polish Pope [is seen in Albania]. . . to confirm that there is a religio-revisionist plot against true Marxism-Leninism'. The concern of Pope John Paul II is indicated by his sentence in Albanian as the first of his greetings to East European nations in his *Orbis et Urbis* address at Easter 1979. Tirana Radio in Polish on 21 April called the Pope's forthcoming visit to Poland a symbol of 'the holy counter-revolutionary alliance between the Polish bourgeoisie and the Catholic Church': BBC, *Summary of World Broadcasts*, Part 2, EE 6097.

manual rural labour was venerated—Albanian desk-workers including Party functionaries had to undertake spells of physical work—but the parallel to Mao's 'Red Guards' was a 'mass' movement for 'Workers' Control' which was politically expedient in the context of internal events in Yugoslavia. President Tito's overthrow that year of Aleksander Rankovic, his Minister of the Interior, had toppled the authority of the secret police, made real the shop-floor democracy of 'worker self-management' and eroded Serb police domination of Kosovo, the Albanian-inhabited region of Yugoslavia. Worker democracy was being given an effective basis under the economic reform of 1965 and the Kosovars were not only participating in it like all Yugoslavs, but gaining a sense of their own nationhood. Hoxha, whose authority extended to two million Albanians, could not but be concerned at deep political changes affecting more than a million other Albanians just across the Yugoslav border.

The Albanian Note of last July observes that in 1966 'our Party supported the Cultural Revolution at the personal request of Mao Zedong (Mao Tse-tung) who declared to our Party that China was facing a colossal danger that no one knew who would win in China, the socialist forces or the revisionists. The Party of Labour of Albania assisted China at a very critical moment, when it was going through great upheavals.' But when Mao moderated the Red Guards movement in August 1968, Hoxha almost immediately (in December) allowed back into office two economic ministers who had been dismissed in December 1966 at the outset of the Cultural Revolution. Koci Theodhosi was named Minister of Industry and Mining and member of the Politburo and Abdyl Kellezi took on the Chairmanship of the Planning Commission. Meanwhile the Minister of Defence, Beqir Balluku, went to Peking to ask for more military aid. The significance of Balluku is that he was amongst the first to reveal the Albanian alignment with China—at a Congress of the Vietnamese Communist Party in Hanoi in September 1960;[7] he was to be executed in the autumn of 1974 for allegedly seeking 'foreign military intervention' to overthrow Hoxha.[8] But Zhou Enlai (Chou En-lai), again according to last year's Albanian Note, refused the 1968 request for more deliveries of Chinese arms and told Balluku that Albania's security lay in a military alliance with Yugoslavia and Romania.

Conformity to the changes in the policies of the Chinese leadership nevertheless paid off handsomely in economic terms. China was apparently even more generous than its original commitments. It offered credit to allow Albania to run a deficit which in real terms would be nearly one-third more than had been envisaged for 1966–70, and in the event the actual excess over exports was 30 per cent greater than that planned.

[7] Schreiber, *op. cit.*, p. 31.

[8] Birch, *op. cit.*, p. 286: the quotation is from Hoxha's 13½-hour address to the Seventh Party Congress in November 1976.

In the aftermath of their respective Cultural Revolutions China also offered Albania support for its 1971–75 Plan. A Sino-Albanian agreement signed in Peking on 16 October 1970 on a long-term interest-free credit permitted the Plan to envisage an excess of imports over exports of $604 m. over the five years. The import deficit was to be two-and-a-quarter times more in real volume than during the previous quinquennium. The Albanian press was full of reports of Chinese deliveries of capital equipment, of exchanges of technical delegations and of denunciations of both American 'imperialism' and Soviet 'social revisionism'. Within China, the opposition to the ultra-left policies of the Cultural Revolution culminated in September 1971 in the flight of Lin Biao (Lin Piao), after an alleged abortive coup d'état, and his death in an air crash while overflying Mongolia to seek asylum in the USSR. It is at this moment that the Sino-Albanian dispute begins.

Origins of the dispute with Peking

The Albanian Party bitterly complained in last July's revelations that although 'considered the closest ally of China', it 'learned from foreign news agencies the report spread all over the world that Kissinger had paid a secret visit to Peking. . . It was clear to our Party that . . . Nixon's visit to Peking was laying the foundations of a new policy on the part of China.' The Albanian Party wrote in August 1971, six months before Nixon went to China, that 'we regard your decision to welcome Nixon in Peking as incorrect and undesirable'. . . The Note goes on 'The Chinese leadership adopted its usual stand also towards this letter. It did not deign to give any answer. . . It concocted some absurd excuses for its failure to send a delegation to the Congress of our Party.' That Congress was in November 1971; and when, the following February, Nixon visited China, the Albanian press instead of reporting the visit carried commentaries that one hegemonistic power could not be used against another. But in November 1972 Balluku went to Peking to rebuild bridges. The accommodation he arranged lasted only as long as what—for want of a better term—may be described as 'Gang of Four' dominance. From May 1974 Zhou Enlai was confined to hospital and from June 1974 Deng Xiaoping (who had regained office the previous December) shared responsibility for foreign affairs with Li Xiannian (Li Hsien-nien). It was in June 1974 that Balluku was dismissed and arrested for treason; he was executed later the same year.

Deng was later to be clearly identified with the promotion of economic relations with capitalist partners, with the rapid expansion of oil production for sale at the high prices OPEC had by then secured on the world market, and with the purchase of Western technology to modernize Chinese industry. The economic leaders in Albania—Kellezi and Theodhosi—were likeminded: before their dismissal in December 1966

their then Minister of Foreign Trade, Vasil Kapi, had forecast that 'foreign trade will become a lively economic sector and an active aid to the economy in general'.[9] Taking a cue from Deng's increasing prestige in Peking, the new Minister of Trade, Kico Ngjela, rapidly enlarged trade with the West. Exports to industrial capitalist states had been a fairly steady $20 m. annually between 1965 and 1972 but by 1975 they had tripled. Since Albania, like China, had declared itself opposed to credits from capitalist sources, imports for convertible currency could not exceed exports, but in fact both countries ran an export surplus.

June 1975 is the key date for the reversal. The three economic ministers were dismissed and replaced by provincial Party officials. Kellezi was succeeded as Chairman of the State Planning Commission by Petro Dode, Party secretary for Vlora, the naval base in the South, Theodhosi as Minister of Industry and Mining by Pali Miska, Party Secretary from the northern highland region of Pukes, and Ngjela as Minister of Trade by Nedin Hoxha, Chairman of the Gjirokastra local authority, on the frontier with Greece (who from later evidence can be seen as championing normal relations with that country). The substitution of 'local cadres' for central bureaucrats in true radical Chinese fashion was completed in April 1976 when the Ministers of Agriculture and of Education were displaced by a collective-farm chairman and a school headmistress—both women under 40 and with no previous experience in government. The two ministers dismissed in 1976 were probably not judged to be part of the Kellezi faction, since they were not linked with them in Hoxha's denunciation at the Seventh Party Congress in November 1976.

In that speech Hoxha implied that the three economic leaders had been executed: 'The Party and the dictatorship of the proletariat hit them with an iron fist and threw them in the dustbin, where all the traitors to the revolution belong.' He accused Kellezi of trying 'in every way to distort the principles of our socialist planning, in order to divest it of its socialist content and to set our economy on the road to revisionist self-management. This hostile, anti-Marxist activity was severely and strongly dealt with by the Party and prevented from finding any field in which it could operate.' He seems to have alleged that the group would have taken the Yugoslav economic system as a model and possibly as a step in the direction of the quasi-market economy mooted by Deng. Shehu, at the same Party Congress, accused Balluku, Kellezi and Theodhosi of conspiring with 'foreign revisionists' and the last two 'and others in the economic sector' of sabotaging the oil industry. The association of Deng with development of Chinese oil resources and the conservation policy advocated by the 'Gang of Four' must come to mind in reading Hoxha's denunciation of Kellezi and Theodhosi as using 'refined methods to disorient exploration' and applying 'barbaric' techniques for the ex-

[9] *Zeri i Popullit*, 18 March 1966.

ploitation of existing oilwells. Shortfalls in the planned development of chrome, copper and coal mining were also laid at their door, as well as failures to fulfil plans for grain and industrial crops.

Trade with the West was cut with remarkable speed after the events of June 1975. Imports, which had been $30 m. from industrial capitalist partners in the second quarter of that year were halved in the third quarter, remained at $15 m. in the fourth and fell to a mere $9 m. in the first quarter of 1976. Exports were presumably subject to longer-run contracts: they ran at about $20 m. per quarter until the end of 1975, but were halved in the first quarter of 1976 and cut even to below the level of imports in the third quarter—$8 m. against $10 m.

June 1975 is also a turning-point in relations with China, where Mao's wife, Jiang Qing (Chiang Ching) had just secured the dismissal of the Minister of Foreign Trade, Bai Xiangguo (Pai Hsiang-Kuo).[10] The previous year (as the Albanian Note records) the Albanian Party had been persistently rebuffed in its proposal to send a delegation to Peking to discuss aid for the 1976–80 Plan. A mission was eventually invited in June 1975, but was led—in place of the purged ministers—by a former Minister of Industry and Mining, Adil Carcani (now a Deputy Chairman of the Council of Ministers and Chairman of the State Commission for the Liquidation of the Consequences of the Earthquake). He obtained the assurance of what the Chinese Note of last July said was a 500 m. yuan interest-free, long-term loan to finance projects under the new Plan.[11] The significance of Carcani was his opposition to East-West trade in favour of an import-substitution strategy.[12] The period was one when Deng was in eclipse, for after Zhou Enlai's death in January 1976 he not only failed to succeed to the premiership but was criticized as an 'unrepentant capitalist roader' and lost all his positions save membership of the Party itself. Hua was at first named only 'Acting Premier' but after a month was strong enough to arrest the radical Jiang Qing and the other three members of the 'Gang of Four'. Deng was restored the following year, but, although at the National People's Congress on 26 February 1978 Chairman Hua called for a further and deeper purge of the radicals, Deng still ranked below him and some pro-Albanian faction in Peking may have nourished the hope that Albania might still be persuaded to accept the Chinese line on the 'Three Worlds' in general and on Vietnam in particular.[13] The first three months of last year saw no

[10] On her speeches of March and September 1975 see *China Quarterly*, September 1975, p. 579, and December 1975, p. 791.

[11] The agreement, without quantification, was announced in *Zeri i Popullit*, 4 July 1975.

[12] *Ekonomia popullore*, No. 1, 1971.

[13] Albania has consistently denounced the lack of dialectic class-consciousness in the Chinese perception of 'Three Worlds'—the two hegemonistic superpowers, the other capitalist states and the developing countries. In the latest phase of the polemics, *Zeri i Popullit* opened the Albanian attack on 7 July 1977, but *Renmin Ribao* chose not to reply until 1 November 1977.

mention of the other country in the press of each, while both assessed their positions.

Patently by mutual agreement, the press on each side published on 6 April 1978 a news item about the other; but there was a marked contrast in the content of the two reports. The Xinhua (Hsinhua) News Agency put out an anodyne report of the departure from Peking of the Albanian Deputy Minister for Industry, Mago Bleta, seen off by his equal in rank, the Deputy Minister of the Metallurgical Industry, Ye Zhijiang. *Zeri i Popullit* carried a correct enough account of the signature of an agreement between China and the EEC, but the implication was that China was continuing to curry favour with capitalist powers. On 19 April *Zeri i Popullit* focused on Chinese relations with the USSR by reporting the signature of a Sino-Soviet trade and payments agreement for 1978. Although both reports were entirely factual, they showed very obviously that China was making overtures to each of the 'hegemonistic' world powers. China, on the other hand, continued to publish friendly reports about Albania, conforming to the 'briefing' to the press on 30 July 1977 of the Chinese Foreign Minister, Huang Hua, forbidding, on direct instructions from Hua Guofeng and Deng Xiaoping, overt denunciation of Albania.[14]

But Shehu, speaking on 8 July at the Army Day celebrations, declared that 'United States imperialism and Soviet socio-revisionism are a source of danger of war, but there are also other hegemonistic powers which are fanning the flames of war'. The reference to China in the latter phrase needed no spelling out for the listener in Tirana or Peking. To bring home the political rift, the Central Committee of the Albanian Party of Labour met on 26–27 June 'to debate defence': no details were issued, and the communiqué merely said mysteriously that appropriate measures for the protection of the Fatherland were decided after a report by Hoxha.

As the Chinese Note of last July now reveals, the decisive steps were taken by Albania early last year.

> In the first quarter of 1978 when the Albanian Vice-Minister of Industry and Mining discussed with us the question of Chinese aid for the building of an integrated metallurgical complex and other projects, he insisted that we fix a schedule for delivery of the blueprints . . . in the absence of results from the experiments. When we objected to this unreasonable demand, he . . . brazenly terminated the talks.

The Chinese Note lists other incidents about economic aid from 'early 1978' to May 1978 and records 'Notes to the Chinese Embassy in Albania dated 29 April and 20 May 1978 . . . alleging that Chinese experts "had the deliberate intention of harming Albania's economy".' Peking's Note

[14] H. Hamm, author of *Albania, China's Beachhead in Europe* (New York: Praeger, 1963) in *Frankfurter Allgemeine Zeitung* of 1 November 1977.

of 7 July was the result—terminating all its economic aid, recalling its technical experts from Albania and requiring the return of the few Albanian students still in China.[15] Only four days before—on 3 July—it had delivered a similar Note to the Government of Vietnam, with which the deterioration of relations had been speedier: formal notice of the cancellation of Chinese aid for 21 projects had been given on 12 and 30 May. Albania had already declared in favour of Vietnam in a three-column article in *Zeri i Popullit* of 24 June which criticized 'imperialism' in relation to Vietnam: having triumphed over Kennedy, Johnson and Nixon and despite United States outlay of $145 billion, it said, Vietnam was still having to defend its sovereignty. China was not named, but it clearly would not tolerate such defiance by maintaining even a nominal aid programme and the Note of 7 July was the determined response.

Relations with Yugoslavia and others

The warmth of Albanian relations with Yugoslavia have usually been in inverse proportion to those with China. Albania sided with China in the later 1950s when Peking denounced 'the Yugoslav road to socialism' and had its own reasons—the Kosovo issue briefly mentioned above—for keeping them cool during the 1960s when amity with China was at its zenith. Overtures from Tirana to Belgrade, begun in April 1970[16] and resulting the following year in the resumption of full diplomatic relations and a long-term Yugoslav-Albanian trade agreement, were, however, paralleled by Belgrade's normalization with Peking in May 1970. Nevertheless, when the Albanian rift with China was declared in the Party of Labour's letter to the Chinese Communist Party of August 1971, Sino-Yugoslav intercourse was retarded: no delegations of significance were exchanged between June 1971 (when the Yugoslav Secretary of State for Foreign Affairs visited China) and September 1974 (when the Vice-President of the Yugoslav Federal Assembly went to Peking).[17]

The discovery of an allegedly pro-Soviet conspiracy in Kosovo and Montenegro[18] in September 1974 coincided with Balluku's execution for what Hoxha at first—though much later (April 1976)—attributed to seeking 'to bind our country to the Soviet revisionists',[19] but which the Albanian Note of last July claims was 'acting in secret to realize the

[15] The Chinese Government may have chosen the date with deliberation. *Zeri i Popullit* exactly a year before (as note 13 above states) had obliquely denounced the Chinese ideological line.

[16] In a leading article entitled 'The importance of the National Liberation struggle in the history of the peoples of Yugoslavia', *Zeri i Popullit*, 5 April 1970.

[17] Documented, together with a decline during 1972 to 1974 in the number of articles published in the Chinese press on Yugoslavia, correlated with an increase in the number devoted to Albania, by D. Tretiak and G. Teleki, 'The uneasy triangle: the Sino-Yugoslav rapprochement and its implications for Sino-Albanian relations', *Current Scene*, Vol. XV, No. 10 (October 1977), pp. 1–18.

[18] See C. Cviic, 'A pro-Soviet plot in Yugoslavia', *The World Today*, November 1974.

[19] See Birch, *op. cit.*, p. 286.

strategic plan hostile to Albania' of a military pact with Yugoslavia and Romania.

President Tito's visit to Kosovo in April 1975 marked an important stage in the development of Yugoslav-Albanian relations. Tito insisted on the two countries' important role as a stabilizing factor in the Balkans; 'what unites the two countries', he declared, 'is more important than what divides them. . . Our common interests are so great (and I am sure the Albanian leaders realize this) that I believe the relationship will develop to our mutual benefit.'[20] The attempt at political rapprochement was frustrated by Yugoslav concern at Albanian ideological penetration of Kosovo,[21] to which Hoxha angrily replied in his speech to the Party Congress in November 1976. Very soon afterwards a semi-official Yugoslav paper propounded what a Western observer has called 'two-tier relations':[22] normal between states but accepting as given the 'irreconcilable differences in ideology and policies . . . about which we have not kept quiet in the past, nor will we do so in future'.[23] Tito's visit to Peking in August 1977 and Hua's return call just twelve months later could only emphasize the political distance between the states, but Shehu, in a policy review to the newly elected National Assembly on 26 December 1978, asserted that 'the irreconcilable ideological and political contradiction we have with the Yugoslav leaders should not become an obstacle to the normal development of state relations between our two countries'.[24]

Shehu's speech was on what has become familiar ground in ranging Albania 'against the hegemonic and expansionist policy of US imperialism, Soviet social-imperialism, Chinese socio-imperialism', but he gave pride of place among the list of 'other states [towards which] our Party and Government always pursue an open and correct policy' to Greece. In what he described as a 'good-neighbour policy', relations with Greece (for the 30 years after 1940 technically a 'state of war') have dramatically improved since the normalization of diplomatic relations in 1971. The first Western Minister of Trade to visit post-war Albania was the Greek, who not only signed a trade protocol in Tirana on 30 March 1978 but toured the Greek-speaking region of Gjirokastra. His host there was the Minister of Trade, Nedin Hoxha, previously—as noted above—transferred to the portfolio vacated by Ngjela's disgrace.

The second Western Trade Minister to travel to Tirana was that

[20] P. F. R. Artisien, 'Yugoslavia and Albania in the 1970s', *Co-existence*, October 1978; the inter-relationship is more fully examined in the same author's M.A. thesis, *Albanian-Yugoslav Relations in the Post-War Period* (University of Bradford, 1978), pp. 209–64.

[21] See Artisien, *Co-existence, loc. cit.*, citing a Kosovo newspaper of 29 October 1975.

[22] *ibid.*

[23] J. Brezaric, 'Yugoslavia and Albania', *Review of International Affairs* (Belgrade), Vol. XXVIII, January 1977.

[24] As reported in BBC, SWB, Part 2, 5 January 1979, EE 6008.

of Italy in January 1979;[25] his country, too, had been embraced in Shehu's 'policy of good neighbourliness... We want to develop relations with Italy in the field of trade and culture.' Other European states singled out as favourably disposed were those of Scandinavia, France, Belgium, the Netherlands, Austria and Switzerland, but Shehu observed that 'Britain and the FRG have obligations towards Albania'.[26] These are respectively the gold reserve of the pre-war Albanian National Bank, taken over by Italy in 1939 and still held in the UK, which shares responsibility for it with the United States and France,[27] and reparations due from West Germany. It was recently reported that Albania had formulated a claim of $1 billion.[28]

Shehu was dismissive about East Europe—'confined to trade exchanges'—but if Hua had not called also at Bucharest last August one would suppose, given the similarly independent stance of President Ceausescu, that relations would be warmest with Romania. Of the non-European members of Comecon, Vietnam's cause has been closely embraced in its conflict with China; but Shehu felt obliged to criticize even Vietnam, albeit indirectly—'We express our sorrow at the continuation and extension of the armed conflict that has burst out between Vietnam and Kampuchea'—and condemned 'every foreign interference in the internal affairs of any people and country'.

Postscript: the earthquake

Reliance on domestic resources and the rejection of foreign assistance must have been severely tested as the Albanian leadership surveyed the damage wrought by the earthquake of 15 April. The two districts on the north coast, Shkodra and Lezha, suffered extensive losses, though loss of life seems not to have been heavy: in these areas 8,100 houses and 307 economic, social and cultural buildings were damaged or destroyed out of 10,255 and 439 respectively in the eight northern districts reported as affected.[29] An immense effort has been deployed to mobilize volunteers from other parts of the country—the few pages of the newspapers are filled with pictures of rubble clearing and of Party leaders conferring with local officials—while factories are sending direct from stock building materials, food stuffs and other requirements. But, by the same token, those materials and equipment will no longer be available for the investment in home industry and farming. Self-reliance in the first year Albania has ever had without foreign assistance is being sorely tested.

[25] Pietro Sormani, 'L'Albania si apre al dialogo con Roma', *Corriera della Sera*, 7 January 1979.

[26] Quotations from BBC, SWB, *loc. cit*. On the various approaches within Western Europe, see *Wall Street Journal*, 2 May 1979. On Japan, *Zeri i Popullit*, 12 May 1979, attacked what it called 'a counter-revolutionary alliance' between Washington, Tokyo and Peking.

[27] It is retained on the authority of the International Court of Justice pending the latter's ratification of Albanian compensation for the Corfu incident.

[28] Michael Dobbs, 'Tirana seeking ties with Bonn', *The Guardian*, 23 March 1979.

[29] *Zeri i Popullit*, 19 April 1979.

PRINTED IN ENGLAND BY POPPER & COMPANY LTD, WELWYN GARDEN CITY, HERTFORDSHIRE

THE WORLD TODAY

Founded in 1945, THE WORLD TODAY is issued under the auspices of the Royal Institute of International Affairs and published monthly by the Oxford University Press.

ANNUAL SUBSCRIPTION (12 issues a year)
Including postage inland and overseas
UK £7
US $20 (by accelerated surface post)
Elsewhere £9
Single copies 70p ($2) post free

Orders may be sent to booksellers and newsagents or to the Oxford University Press, Press Road, Neasden, London, NW10 0DD   Telephone 01-450 8080

The Royal Institute of International Affairs is precluded by the terms of its Royal Charter from expressing an opinion of its own on any aspect of international affairs. Any views expressed in this publication are, therefore, the responsibility of the contributors.

ISSN 0043-9134

THE WORLD TODAY

The Royal Institute of International Affairs

CONTENTS

EDITOR: LILIANA BRISBY

July 1979
Vol. 35. No. 7

Manuscripts and correspondence should be addressed to the Editor, *The World Today*, The Royal Institute of International Affairs, Chatham House, 10 St James's Square, London SW1Y 4LE.

Notes of the month

THE POPE AMONG HIS PEOPLE

HISTORY smiled on Poles for the second time since 16 October 1978 when on 2 June 1979 Pope John Paul II stepped down from an Italian aircraft, dropped to his knees and kissed the ground of his native land in Warsaw. The first ever visit by a reigning Roman Catholic Pontiff to Eastern Europe began. Poland ruled by a Communist, by definition atheist, Party for 35 years was put firmly on the world map when, what was essentially a Polish family affair, was played out on the world stage with exhaustive reports by over a thousand press correspondents and innumerable hours on TV screens in all parts of the globe.

For nine days the people in Poland flooded the man they call 'our own Pope' with outpourings of love and manifestations of their faith. Many walked for days and nights and lined up for hours to fall on their knees before him like wheat bowing before the wind and to pray with him. Everywhere—in Warsaw, in Gniezno, the cradle of Polish Christianity, in Czestochowa, the most revered shrine of the Black Madonna (the Mother of God), in Krakow, the ancient royal city and the Pope's former archdiocese, in Oswiecim (Auschwitz), 'the Golgotha of our times'—the crowds estimated overall at thirteen million stretched from horizon to horizon: workers, peasants, intellectuals, students and children.

John Paul has already made the Papacy one of the most exciting institutions of our day. It is because, as one British paper put it, he has shown also in Poland the qualities of a true world leader and not merely the stultifying statesmanship with which the Vatican has for so long been identified. Singing, laughing, chatting with young people and joking he has shown his countrymen that it will take more than the formal traditions of papal office to tame his spontaneity, warmth and vigour, his joy and his sense of humour. One minute he held his audiences spellbound as he lowered his voice and slowly spoke on a spiritual problem, and the next he had them laughing and applauding after one of his many asides. He has shown an uncanny flair for historical perspective, rare diplomatic skill and an ability to preach with subtle but clear political undertones. He said in Poland what he wanted to say and left others to do what interpreting they wished. He never failed to put his messages across.

Many of them went well beyond strictly Polish dimensions and perhaps he offered occasionally a glimpse of the long-term lines of his pontificate.

Referring to himself again and again as 'this Slav, this Pole', the Pope seemed intent on underscoring his own uniqueness and defining his mission as one of which the strengthening and expansion of the faith, absolute respect for human rights and the rapprochement between the power blocs are the most important factors.

In Warsaw's Victory Square, under a 45-foot high cross, and so to speak on Moscow's doorstep, John Paul II said: 'Christ cannot be kept out of the history of man in any part of the globe.' In his other homilies, he opposed atheism and warned Poles that today, more than in any other age of their history, they need 'the strength of faith'. A forceful affirmation of the unbreakable bond between the Church and the Polish nation—forged over more than a thousand years of Christianity in Poland—continues to be a crucial source of strength and vitality to the Church there. The heart of Poland beats at the Czestochowa shrine, the Pope said.

On another theme, John Paul II recalled the gradual expansion of Christianity through the ancient lands of all East and South European Slavs which had created the spiritual foundation for religious and cultural links between them. The purpose of his pilgrimage to Poland, he said, was to embrace all those, 'often forgotten', peoples with his own nation and to hold them close to the heart of the Church. In this common heritage of Christian values and culture the Pope sees the foundation for unity not only among the people in the East but also between East and the West. The acceptance of this common faith provides the basis for a spritually united 'Christian Europe'.

As he spoke over the ashes of more than four million dead in Auschwitz, the Pope turned a moving memorial service for the victims of Nazi extermination—'the crazy ideology'—into a ringing call for the rights of the living. 'It is enough to put man into a different uniform,' he said, 'to arm him with the apparatus of violence. It is enough to impose on him an ideology in which human rights are subjected to the demands of the system so as to suppress them completely.' It was his most outspoken warning and appeal for universal respect of human rights—and thus a challenge to the world's Marxist leaders. As for the rights of nations, the Pope strongly emphasized that one nation can never develop at the expense of another, at the price of conquest and subordination. On another occasion, he brought up the question of alliances, saying that their validity depended on whether they lead to more well-being and prosperity for the member states. The allusions to Eastern Europe were only too clear. His view of censorship was proclaimed with a smile: 'It would be sad to believe that any Pole, any Slav in any part of the world, is unable to hear the words of this Slav Pope . . . we are living in a time of declared freedom and exchange of information'. His concern about freedom of information was vindicated by the selective coverage of the visit on Polish television, infinitely shorter than in most Western coun-

tries, which played down this historic event and strenously avoided showing the huge crowds he attracted wherever he went.

Signalling his own individual approach to the Church's social doctrine, John Paul II strongly emphasized that the 'Cross and Christ cannot be separated from man's work'. Dignity of work and dignity of man are crucial. If technology and economics are shaped without reference to the dignity of human labour, they are harmful and against man who cannot be considered merely as a means of production. All this the Pope called the 'new evangelization', which he himself lived through at the beginning of the second millenium of Christianity in Poland 'and took with him to Rome'.

Finally, John Paul directed the bishops to maintain a dialogue with political authorities, but he also warned that a truly authentic dialogue must respect the convictions of believers, and ensure the rights of citizens and normal conditions for the activity of the Church as a religious community to which the vast majority of Poles belong. This dialogue cannot be easy because it takes place between two concepts of the world which are diametrically opposed, but it must be possible and effective if the good of individuals and the nation demands it. What is new in this statement of principles is that the Pope defined the key issues of Church–State relations in a more general, European framework. Europe, he warned, cannot cease to seek fundamental unity and it must turn to Christianity. There is, therefore, a strong demand for a full and complete recognition of the Church as a crucially important spiritual and moral basis for a European unification. In this context, Church–State relations in Poland would become an aspect, perhaps a test case of the much larger task of creating the European Christian community.

John Paul II was received by the highest Polish authorities with great courtesy, full honours as Head of State and even some warmth. But the people who came in their millions to see him have also shown that it will not be possible for the Government and the Party in Poland to pretend that nothing has happened once he has returned to Rome. 'Poland cannot be the same again', one leading Polish intellectual said, 'even if the surface status quo is maintained. The Pope's visit has liberated very interesting psychological forces and they must be taken into consideration by the political leadership'. The effects of sudden feelings of frustration after nine days of intense emotion are not easy to project. Pope John Paul II will now have a great role to play in building on the results of his visit, in his own country and in those of its neighbours. The new dimension of his role in Eastern Europe and the independence of his personality make his response immensely important. No compromise on essentials but co-operation in practical matters on the basis of reciprocity—that was his motto in Krakow before 16 October 1978. At a time when there are few genuine leaders around, the *Washington Post* wrote, the arrival of one

like John Paul II is a most welcome event. His faith, intelligence and drive are in the service of aims, which for many centuries have been central to the great traditions of Christianity.

GEORGE BLAZYNSKI*

GREECE JOINS EUROPE

GREECE was 'legitimized' as a European country on Monday, 28 May 1979, with the signing in Athens of its treaty of accession to the European Economic Community. The ceremony in the Zappeion building was attended by an impressive array of European dignitaries, including the Prime Ministers of Italy, Belgium, Luxembourg and Ireland, the British, West German and Dutch Foreign Ministers, the Danish Minister of Agriculture and the President of the European Commission. It was, however, President Giscard d'Estaing of France who managed to upstage his European confrères, essaying a few words of welcome in fractured Greek and adroitly projecting himself as Greece's principal patron in Europe.

The accession treaty, which is subject to the formality of ratification in the parliaments of the existing nine members and in the European Parliament, provides for Greece to become the tenth member of the EEC on 1 January 1981. Overall, a five-year transitional period has been agreed during which existing tariffs will be abolished, capital movements liberalized and Greek agricultural policies harmonized with those of the Common Agricultural Policy. An exception has been made for fresh and tinned peaches and for fresh tomatoes and tomato paste, for which a seven-year transitional period will apply. Likewise, the free movement of labour will be subject to an extended transitional period. Greek migrant workers already established in the Community, however, will receive full social benefits as from the date of Greece's accession. Greece is expected to be a net beneficiary from the Community budget, receiving some 500 million units of account (£325 m.) per annum by the end of the transitional period. Under the terms of the accession treaty, Greece will be entitled to one commissioner, one governor of the European Investment Bank and one judge in the European Court of Justice. It will have 24 (initially appointed) members of the European Parliament.

The signing of the accession treaty marks a major personal triumph for the Prime Minister, Constantine Karamanlis, who has made accelerated entry into the EEC the main thrust, indeed almost the obsession, of Greek foreign policy since his precipitate return to Greece in

* Author of *John Paul II—a Man from Krakow* (London: Weidenfeld & Nicolson, 1979).

July 1974, following the débâcle of the Turkish invasion of Cyprus and the ensuing collapse of the Colonels' regime. Whenever the negotiations appeared to be dragging, he was always ready to lobby in the capitals of Europe and his persistence has paid off handsomely. He sees Greek membership of the Community as affording compensation for the strains in relations with Greece's principal external patron in the post-war period, the United States; as offering protection against external (and in particular Turkish) threat and, least convincingly, as constituting some kind of guarantee against the establishment of a dictatorship of the left or a return of the Colonels.

The signing ceremony in Athens was replete with rhetoric about Europe rediscovering its identity in Greece and about the Greek contribution to the foundations of European civilization. But there is some uncertainty in Greece as to the concrete benefits that can be expected to accrue from membership. In particular, there are doubts as to how Greece's hitherto protected industries, fragmented agricultural sector, ramshackle bureaucracy and inadequate educational system will stand up to the strains imposed by membership. If the benefits, political and economic, subsequently appear to have been oversold, then the principal beneficiary of an anti-EEC backlash is likely to be Andreas Papandreou's Panhellenic Socialist Movement, which dramatically doubled its share of the vote to 25 per cent at the November 1977 elections. PASOK's opposition, and that of the Moscow-oriented Communist Party (of the Exterior), is uncompromising and both parties boycotted the signing ceremony. Papandreou argues that Greek entry will transform Greece into a peripheral appendage of West European capitalism and has demanded a referendum on entry.

Karamanlis has gone some way to meet the challenge posed by Papandreou's radical brand of populist Socialism by trying to give his own ruling New Democracy Party a more progressive image. He now argues that New Democracy is not a conservative party but a party of 'radical liberalism', that it is the true agent of change and modernization in Greece. At the recent party congress in Chalkidiki, he made provision for greater inner party democracy and for his successor as party leader to be elected by the parliamentary party. One of his more successful initiatives has been to encourage defectors from the centre parties, following the virtual disintegration of the traditional centre in the aftermath of the 1977 elections. He has also tried to rationalize the country's tax system and to decentralize power and economic development from Athens, which now contains something like 40 per cent of the total Greek population, to the provinces. But although Karamanlis clearly takes the Papandreou threat seriously, with his party controlling 176 seats in Parliament, he will not experience any difficulty in securing parliamentary ratification.

But if there is some confusion in Greece as to the full implications of entry, there is none the less an interest in, and in many quarters an enthusiasm for, Europe that contrasts sharply with the apathy reigning in some of the existing nine member countries. However, what is perhaps uppermost in the minds of most Greeks at the moment is inflation (prices have risen by almost 10 per cent since the beginning of the year) and the effects of the oil shortage on a country chronically short of indigenous sources of energy. It remains to be seen whether Greek entry will constitute the all-embracing panacea for Greece's economic and social problems that its protagonists expect.

RICHARD CLOGG

ITALY AT THE POLLS

'GOVERNABILITY' has become a catchword recently among Italian political commentators. It expresses current doubts about the democratic system's ability to cope with the country's malaise, exemplified by the gap widely felt to exist between government and people in a country assailed by problems of terrorism, industrial strife and unemployment. Even proportional representation, embedded in the Constitution of 1948, has been called in question.

The immediate occasion for these doubts arose from the calling, ahead of time, of the general election of 3–4 June. This was the third time in succession that a legislature had failed to run its full five-year term, one of the main reasons for this being the increasing 'bipolarity' represented by the two main parties, the Christian Democrats and the Communists. The great advance made by the Communists in the 1976 election had narrowed the gap between them and the still dominant Christian Democrat party to only 4 per cent. There followed the experiment of a single-party Christian Democrat government under Giulio Andreotti relying for support, first, on the parliamentary abstention of the Communists and four smaller centre parties and then, since 16 March 1978, on an agreement which provided for consultation between all the supporting parties on major issues. Last January the Communists, who had become increasingly restive, claimed that the Christian Democrats were failing to fulfil their part of the agreement. They now demanded a place in the Government, failing which they would withdraw their support. To this the Christian Democrats could not agree, and Signor Andreotti therefore resigned on 31 January. Subsequent attempts to form a government under Andreotti or even under the Republican leader Ugo La Malfa foundered, and on 31 March Andreotti again resigned. Parliament was dissolved and a general election called.

The results of the voting in this unwanted election were inconclusive, but not quite in the way that the opinion polls—never very reliable in Italy—had forecast. The Communists had been expected to lose votes, for their huge gains in 1976 had come to be seen as a phenomenon not likely to be repeated. They had aroused expectations that had not been fulfilled, and warnings of this had been seen in the results of last year's regional and local elections. Their support of the Christian Democrats deprived Parliament of an effective opposition, and drove disillusioned voters to move towards more extreme leftist protest groups or groups paying more attention to local needs. At their Congress last April, they had been attacked by hard-liners, who all along had criticized the party's association with the Christian Democrats, for 'losing touch with the masses'. Registered party membership had fallen to 24,000 in 1978 and new recruitment, especially among the young, was put at 40 per cent below the 1976 figure. The Communist poll in the voting for the Chamber in fact fell from 34·4 to 30·4 per cent and in the Senate from 33·8 to 31·5 per cent. The heavier losses in the Chamber, with its lower voting age of 18, suggests a loss of appeal to younger voters. The Communists now have 201 seats in the Chamber and 109 in the Senate (as against 227 and 116 in 1976).

The Christian Democrats, on the other hand, had anticipated a gain of at least 2 or 3 per cent. In fact, they remained practically stationary at their 1976 level, losing one seat in the Chamber (now 262) and gaining three in the Senate (now 138). The third main party, the Socialists, who had hoped for considerable gains from disillusioned Communists, improved their position by only 0·2 per cent. They now have 62 seats in the Chamber and 32 in the Senate. Some disillusioned votes from either side would seem to have benefited the smaller democratic parties, the Social Democrats, Republicans and Liberals, who, after setbacks in 1976, now contrary to expectations slightly improved their positions, even including the Republican Party which had suffered the death on 26 March of their outstanding leader, Ugo La Malfa; but together they still account for only around 9 per cent of the electorate.

The startling advance of the election was made by the Radical Party under its combative leader Marco Pannella. This party, until recently regarded as little more than a noisy if effective pressure group campaigning for such subjects as abortion and ecology and against nuclear energy, had only four members in the previous Parliament. Known as 'the gang of four', they strongly opposed Christian Democrat–Communist collaboration as reducing the influence of smaller parties. They now tripled their vote to secure over 1½ m. votes, 18 seats in the Chamber and two in the Senate, with 3·4 per cent of the total vote. A good deal of their increase plainly came from disillusioned Communists, who also voted for another small protest party, Democratic Unity, which failed to

secure any seats. Finally, on the far Right, the neo-Fascist MSI (*Movimento Sociale Italiano*), plagued by splits, lost five seats in the Chamber (now 30) and two in the Senate (now 13), together with their splinter group *Democrazia Nazionale* (which got no seats) representing 6·1 per cent of the total vote.

The other striking feature of the election was the unusually high number of abstentions or spoilt votes. A 90·3 per cent turnout may seem remarkable by British standards, but it was in fact the lowest since 1946, for voting in Italian elections is regarded as a civic duty, and failure to do so is registered and may count against a man applying for a post in public service. The abstentionists, the well-known political writer Luigi Barzini has remarked, numbering 5¾ m. are now the third most powerful force in the country.

In practical politics, however, that 'third force' is the Socialists. Unless some ingenious new formula is evolved, renewed collaboration between the Christian Democrats and the Communists—in Berlinguer's thinking, the prelude to his long-term plan of a 'historic compromise'—seems unlikely, for both sides have pledged themselves, the Communists to go into opposition unless they secure a place in the Government, and the Christian Democrats against agreeing to that condition. The Christian Democrats are therefore back again in the old pre-collaboration situation of searching for allies. Support from the smaller parties alone would not bring them enough seats to secure a parliamentary majority. The Socialists' 62 seats, on the other hand, would give them a stable majority. The Socialists themselves, led since their debacle in 1976 by their energetic younger leader Bettino Craxi, have been making strong efforts to establish an identity of their own and to distance themselves from the Communists, with whom last summer they ran a protracted debate about Leninism and Marxism. They have repeatedly urged a government of national unity in which the Communists should be included, but failed to get support for this from either of the main parties. They are against any repetition of the Centre–Left pattern of the 1960s and would make their support conditional on much firmer guarantees for their own party's position in any new government.

The Socialists' bargaining position will have been strengthened by their relative success in the elections to the European Parliament, held a week after the Italian elections. The Socialists have set great store by these elections, feeling that their position as part of a wider, European Socialist group would profit them at home (they were, indeed, strongly in favour of the two elections being held on the same day, which for technical reasons proved impossible). Their percentage of the vote improved by 1·3 per cent as compared with their position in the Italian elections, whereas that of both the Christian Democrats and the Communists fell, if only slightly. Incidentally, it is interesting to note that

the three smaller centre parties all improved their position in the European elections—almost as if, in the broader context, people felt freer from party constraints and could say what they really thought.

MURIEL GRINDROD

China's challenge to Japan

WOLF MENDL

NEARLY a year has passed since the signing of the Treaty of Peace and Friendship between China and Japan in August 1978.[1] The occasion was celebrated with much purple prose. Commentaries in the Western press concentrated on three themes: Had Japan at last come of age as an independent actor on the world stage? Did the Treaty mark the establishment of an anti-Soviet alliance? Did the drawing together of the two countries presage the birth of the most formidable combination in the world? A preliminary assessment of the validity of these speculations may be appropriate now.

The Treaty: what it is and what it is not

The Treaty was signed almost six years after the Chou-Tanaka Communiqué of 29 September 1972[2], which established normal inter-state relations between the two countries and included the Treaty as one of its objectives (Article 8). It is a much shorter and less detailed document than the Communiqué and repeats some of its content. This is particularly true of the principles underlying the bilateral relationship (Article 6 of the Communiqué and Article 1 of the Treaty) and the controversial 'anti-hegemony' clause (Article 7 of the Communiqué and Article 2 of the Treaty).

A confluence of circumstances brought about the final push for the Treaty. At home, manœuvres within the governing Liberal-Democratic Party (LDP) and the complex relationship between the Prime Minister, Mr Fukuda, and the Foreign Minister, Mr Sonoda, had created a common interest in the spring of 1978 for an early conclusion of the treaty with China. The Prime Minister wanted to strengthen his bid for the continued leadership of the LDP and hoped to benefit from the euphoria which would accompany successful negotiations. The Foreign Minister, having his eye on the leadership stakes in the more distant future, had drawn closer to the so-called pro-Peking elements of the party, led by Fukuda's rival and eventual successor, Mr Ohira. External pressures also speeded Japan on its course. Any hesitations Fukuda might have had

[1] For the text of the Treaty, see the Government's unofficial translation in *Japan* (London: Japanese Embassy, No. 21, 16 August 1978).

[2] For the text of the Communiqué, see *Peking Review*, Vol. 15, No. 40, 6 October 1972, pp. 12–13.

Dr Mendl is Head of the Department of War Studies at King's College, University of London; author of *Issues in Japan's China Policy* (London: Macmillan for RIIA, 1978).

disappeared after his return from Washington in early May, where he had been duly encouraged by President Carter. The Chinese, too, seemed to be in a hurry. Chairman Hua had urged an early conclusion of the treaty when opening the National People's Congress in February 1978.

As far as the Japanese are concerned, the Treaty is *not* a treaty of alliance. Judging from the remarks made subsequently by the Chinese Vice-Premier, Deng Xiaoping[3] (Teng Hsiao-ping), this interpretation has been allowed somewhat grudgingly by the Chinese, although for them the anti-hegemony clause in the Treaty is specifically directed against the Soviet Union. The final text of the relevant clause (Article 2) reflected some concessions by both parties. The Japanese wanted to stress that opposition to hegemony was not directed against any third country. The Chinese argued that this would be illogical. In the end, the Japanese gave way but gained part of their point in Article 4, which states that the Treaty would 'not affect the position of either contracting party regarding its relations with third countries'. It can be held that the impact of this proviso is weakened because it is separated from Article 2 by the intervening Article 3, which has nothing to do with the issue of hegemony. Nevertheless, it provides an escape clause against possible pressures from China in the future. Such pressures might be aimed at forcing the Japanese to adopt a more vigorous anti-Soviet policy in the name of the common stand against hegemonism, or they might even one day be turned against Japan's mutual security treaty with the United States. The wording of Article 2 represented a further compromise. The Chinese side wished to make reference only to 'hegemony in the Asia-Pacific region' whereas the Japanese draft had merely referred to hegemony in the world at large. The final text includes both ideas.[4]

Despite its title, the Treaty does *not* end a state of war between the two countries. That question was settled by the Tanaka-Chou Communiqué. Instead, it is a treaty which declares that their mutual relationship shall be peaceful and friendly. It is, however, rather odd to refer to 'relations of perpetual peace and friendship' in Article 1 and then, in Article 5, paragraph one, to give the Treaty a life-span of ten years in the first instance, after which it would continue in force automatically unless either party gave a year's notice of termination (Article 5, paragraph two). Here again the two sides had adjusted their positions. China had insisted on a fixed limit, which is more usual in treaties of alliance; the Japanese draft had included no such restriction.

Thus the two parties had emerged from the negotiations with honours even. The Japanese had safeguarded their basic position over the issue of hegemony and the Chinese had retained their freedom to use continuation

[3] See Deng's interview with Japanese journalists. *The Straits Times*, 9 September 1978; *The Japan Times*, 11 September 1978.

[4] Joachim Glaubitz, 'Der chinesisch-japanische Friedens-und Freundschaftsvertrag', *Europa Archiv*, 25 October 1978, pp. 654–5.

of the Treaty as a lever in future dealings with Japan, perhaps on some contentious issue.

The general tone of the Treaty and the vagueness and contradictions of some of its provisions should not obscure its historic importance, especially when surveyed in the light of Sino-Japanese relations in the previous century. Moreover, these features are significant for they seek to establish the atmosphere in which the two countries intend to manage their relationship in the future. This is very much in the East Asian tradition. The emphasis is not on defining a strict contractual and legal relationship, so characteristic of Western concepts of international relations, but makes clear that the effectiveness of the Treaty will depend very largely on the sincerity and trust which the two parties bring to its implementation. Behind it lies the thought, never openly admitted, that in spite of the best intentions one cannot be sure that the spirit of friendliness and co-operation will survive the changing stresses of the international environment. Awkwardnesses and bones of contention are not neatly disposed of. They are pushed aside and, if the spirit of goodwill is sustained, they may eventually be settled or forgotten.

If we interpret the Treaty in this way, speculations about an anti-Soviet alliance or about the emergence of a great East Asian bloc are decidedly premature. The Treaty contains a hint of both but no evidence of their fulfilment. A year later it has become clear that the effect of the Treaty will be worked out within three contexts: the bilateral, the regional and the global, each overlapping with the others to some extent.

The bilateral relationship

This is visibly dominated by economics. There has been an enormous expansion of economic intercourse in the past year, which has amazed even the most optimistic observers. It began with the long-term trade agreement of 16 February 1978, setting an export target of $10 billion for each country over eight years, though it was anticipated that it might be reached by 1982. By September 1978 it had become apparent that the value of Japanese exports of industrial plants and technology already amounted to $10 billion, if all the current deals and those still under negotiation were included. At the end of March 1979, the two governments extended the long-term trade agreement to 1990 and the target for the two-way trade was raised from $20 billion to $40 billion or possibly $60 billion.

In 1978 China jumped from tenth place to sixth among Japan's top ten customers. The overall picture is, however, a very unbalanced one. Already in 1977, Japan's share of China's total foreign trade had been 23 per cent and it is estimated that it may climb to over 30 per cent by 1980. But when we look at it from the Japanese angle, China's share of Japan's total trade is currently somewhere around 3 per cent.

The basic imbalance, which is not likely to change much in the next few years, lies at the root of the many uncertainties which surround the future of the economic relationship. China depends heavily on Japan to achieve its modernization but there is no corresponding rise in Japan's dependence on China, even though it offers tempting outlets for hard-pressed Japanese industries at a time of international trade recession.

The Japanese, like other Western suppliers, ruminate about China's ability to keep up its spending spree. The hiccup of February 1979, when the Chinese abruptly informed Japanese firms that contracts signed since 16 December were 'not yet in effect', thereby holding up orders worth more than $2 billion, highlighted the problem of China's ability to shoulder the burden of debt without a much greater increase of its exports.

Oil and coal are the chief means with which China can hope to pay for the import of Japanese plant and technology, but the extension of the long-term trade agreement in March 1979 did not anticipate an increase in the amounts of Chinese crude oil which had been scheduled for import in the first five years up to 1982. Not only must there be some doubt about China's ability to exploit its oil rapidly and about how much of its sources of energy will be available for export once the ambitious industrialization programme takes effect, but there are also some impediments on the Japanese side. The electric and power industries drag their feet over the import of Chinese crude for technical and economic reasons, so that the government, which is committed to furthering the economic relationship, has to subsidize the costly business of building the refineries to process Chinese oil.

Other strands in the tangle of issues include the loans which the Chinese are prepared to accept and the manner in which they should be repaid. Japanese industrialists and traders suspect that China tries to exploit the competition for its market among Americans, Europeans and Japanese, in order to drive hard bargains. Proposals to repay Japanese investment with the products of joint industrial ventures—the so-called Production Sharing Formula—pose the question of risk. Japanese businessmen have to consider not only the chances of success in China's ambitious economic development programme but also the implications of operating in a socialist economy.

Besides the economic factor there are other less discussed but significant elements in the bilateral relationship. Nearly twice the number of Japanese visited China in 1978 than in the preceding year. They included leaders in all walks of life. China has always had a cultural and emotional attraction for the Japanese. A pro-China mood could become very strong and even decisive, especially if the Japanese were persuaded that the Western industrialized states were ganging up against them. On the other hand, suspicion and fear of Communism among the ruling circles

inhibit dealings with the Communist government in Peking despite its new pragmatism.

There remain the Senkaku Islands, whose sovereignty is in dispute, as well as other issues affecting the right to exploit natural resources in the East China Sea. The Chinese government has no intention at present to allow these matters to stand in the way of promoting closer relations with Japan. Yet, in spite of soothing words from Deng Xiaoping,[5] they are a source of contention and might one day be used by the Chinese as hostages for the good behaviour of Japan.

The regional environment

For as long as the primary objective of Chinese foreign policy is to contain the Soviet 'threat' and to gain the maximum benefit from Western capital and technology, Japan faces the problem of reconciling the China connexion with its own interests in East and South-East Asia.

In spite of half-hearted attempts to mend fences with Russia, Soviet-Japanese relations contain a greater element of hostility than Japan's relations with any other country in the region. The issue of the Northern Territories is far more intractable than similar conflicts with other countries. Recent Soviet military activity, particularly on the two larger of the northern islands in dispute, has sharpened Japanese apprehensions[6] and has fuelled the arguments of those who are calling for a more substantial Japanese rearmament. Even the Communist and Socialist Parties, which are most sympathetic towards the Soviet Union, are prevented from espousing a pro-Soviet line by their own brand of Japanese nationalism. Given the deep-seated Japanese antipathy towards Russia, which has both historical and racial undertones, it takes far less action on the part of the Russians to arouse Japanese hostility than it would for the Chinese. Heavy-handed attempts by the Soviet government to intervene in the course of the pre-Treaty negotiations, and threat and bluster after they were concluded, only confirmed the unfavourable popular image of the Russians.

Against this long list on the debit side of the Soviet-Japanese ledger, only the economic attractions of Siberia's resources may be entered as a plus factor. Yet the paucity of specific projects that have emerged from many years of hard bargaining and the present focus of attention on China do not suggest that prospects of economic collaboration are going

[5] See his press conference in Tokyo, 25 October 1978. *Hsinhua News Agency*, 26 October 1978.

[6] In 1960 the Russians withdrew most of the troops stationed on the islands of Kunashiri and Etorofu (Japanese spelling), leaving a border garrison of about 1,500 men and 2 fighter squadrons. A new build-up began in May 1978 and has been reported to include the construction of 3 airbases and 5 air strips. The Russians admitted that the 'fortification' of the islands was a response to the Japan-China Treaty.

to balance, let alone outweigh, the negative factors in Japanese-Soviet relations.

Further south along the Asian seaboard, however, Japanese interests are not merely in conflict with those of the Soviet Union. It is here that the danger of friction with China becomes more apparent. Both share an interest in keeping Russian influence out of the Korean peninsula but each is committed to one of the two rival regimes. Discreet collaboration in preserving the fragile equilibrium is the order of the day but neither China nor Japan can control its Korean friends completely and thus both are to a certain extent captives of the whims of their partners. If the relations between the two Korean states were to deteriorate sharply, that would obviously impose an additional strain on the Sino-Japanese relationship.

The Japanese find themselves in an even more uncomfortable position in regard to Indochina. They tried to be even-handed in the Vietnam-Cambodia-China imbroglio, but the tone of admonitions directed to Vietnam over its invasion of Cambodia and to China over its invasion of Vietnam seemed to betray a subtle pro-China nuance. Yet the Japanese government certainly did not go as far in its criticism of Vietnam and in its support for the ousted Pol Pot regime as the Chinese would have wished and rejected a suggestion that they should take joint action under the Treaty.[7] The Japanese undoubtedly share China's apprehensions that Vietnam may become the Cuba of South-East Asia, an anxiety sharpened by concern over Soviet naval activities astride the important sealanes to the Middle East, Africa and Europe. At the same time, for economic and ideological reasons, Japan is fostering close relations with the members of ASEAN whose attitude towards the Sino-Soviet confrontation in their region is equivocal. The neighbouring states quite naturally view Vietnamese expansion in Indochina with some alarm and cannot be expected to approve of Soviet support for Vietnam. The Russians themselves are uneasily aware that the dynamic of events in the region, over which they have little if any influence, may be forcing them to make a most unwelcome choice between Vietnam and its non-Communist neighbours.

Nevertheless, and in spite of increasing Soviet commercial and maritime activity, the Russians remain remote when compared with the Chinese who are very much on the doorstep. Ancient fears of Chinese domination, kept alive by economically powerful Chinese minorities in various countries and China's ambiguous policy towards local insurgencies, temper attitudes towards Vietnam and the Soviet Union.

Japan finds itself steering an uneasy course in these cross-currents. It may be flattering and economically desirable to be an honorary member of ASEAN but it might be very awkward if solidarity with ASEAN

[7] *The Japan Times Weekly*, 27 January 1979.

impinges adversely on relations with Vietnam, in which Japan also has an economic interest, or, what would be worse, with China.

The global context

The intricacies of international politics in East and South-East Asia are a persuasive argument for keeping close to the United States and encouraging it to retain a presence in the region. Such a policy is far more acceptable now than it was ten years ago. The United States has adopted an off-shore role in East Asia and this, combined with the Sino-Soviet conflict, has made the Japanese-American security system assume a more obviously defensive character than it seemed to have at the height of the war in Vietnam.

Japan's dilemma is that, while its extra-regional economic interests bring it into conflict with America, its political and security interests in Asia require a continuing partnership with the United States. A similar dilemma pervades Japan's other global relationships. There is a basic identity of interests with the industrialized societies in the North-South dialogue and in concern over Russian expansion and its potential for denying access to essential sources of energy and raw materials. As the only genuinely liberal society in East Asia, Japan also shares an ideological outlook with other Western countries. The common interest is, however, weakened and eroded by conflict in bilateral commercial relations, in the markets of the Third World and in the international monetary system. The absence of Japan from the Western summit meeting in Guadeloupe in January 1979 can only have strengthened Japanese suspicions that they are not full members of the 'club', although some of the topics discussed there are not of the kind the Japanese would want to be seen discussing in public, except with the Americans alone.

The treaty with China marked a turning-point for post-war Japan. For the first time it made a clear choice without reacting to specific pressures from the United States or some cataclysmic event, such as the Middle East oil embargo of 1973, which brought about a noticeable shift in the Japanese position against the wishes of the United States. The fact that the Japanese rejected a Soviet proposal for a Treaty of Good Neighbourliness and Co-operation early in 1978, including a Russian version of 'anti-hegemonism', seems to strengthen this view.

It might be objected that, in face of the dispute over the Northern Territories, the Japanese could not be expected to take the Soviet proposal seriously. It is also doubtful whether the Japanese government would have taken its step towards China in the teeth of American opposition. These objections do not, however, invalidate the point that the Treaty represented a definite choice for Japan. The relationship with China had, after all, prospered and expanded for six years and would presumably have continued to do so without a treaty. Yet, if this is taken to mean that from now on Japan is going to behave as a great power in the

traditional sense, manipulating the balance of power, making alliances, acquiring appropriate military strength, then it is based on a misreading of Japan's position and its environment.

The domestic political structure and the diversity and spread of Japan's external interests prevent the emergence of a very clear line of policy. The varied perceptions of what best serves the national interest cut across political alignments. Those who want a closer association with China include important sectors of the business world, advocates of a greater identification with Asia on cultural or racial grounds, and some with ideological leanings towards Marxism. The pro-Soviet elements are much weaker. They also include some economic interest groups and a larger number of 'Marxists'. Those who want to steer clear of too close an association with either of the giant neighbours—and they represent the current mainstream of Japanese opinion—are divided between those who would like to see the development of close relations with other Asian states, notably ASEAN, and those who place prime importance on continued collaboration with the United States and the Western world. The Japanese face in many directions and the government makes a virtue out of necessity, calling it an 'omnidirectional policy'. This means that Japan seeks to be on good terms with all countries and to avoid causing offence as it responds to the behaviour of the other powers in the region.

Two balance-of-power systems intersect in East Asia. One is the global strategic balance between the United States and the Soviet Union; the other is an emerging regional balance in which China and the Soviet Union are the two principals. Through its special relationship with the United States, Japan is tied into the global balance. The Americans are expected, though with diminishing conviction, to provide protection against direct pressure or attack from the Soviet Union. In the more subtle and ambiguous relationships within the region, the Japanese are well aware that they have to act on their own account. The Sino-Soviet relationship is the source of greatest anxiety, but there is no certainty that it will continue at the present level of antagonism or that it may not one day enter a period of détente and co-operation. Such a development would create an entirely new situation in the region and the Japanese recall that there have been several such major realignments since the Second World War.

It is the feeling of uncertainty and the fear of being isolated which will powerfully influence Japanese policy. A sense of isolation may well arise, especially if the Japanese perceived simultaneously a serious Russian threat to their security and a Western threat to their economic well-being. In such circumstances, the pull of China could become much stronger if not irresistible. It is, however, the feeling of uncertainty which is predominant today.

If Japan were deliberately pursuing a balance-of-power policy, this

would indicate support for China, the weaker side in the region. It is also true that in signing the Treaty of Peace and Friendship the Japanese made a kind of choice, but not in favour of an alliance or in pursuit of a balance-of-power policy. The terms of the Treaty, continued uncertainty about future developments in China and their effect on Chinese policy, unresolved issues in the bilateral relationship and doubts about China's policies elsewhere in East Asia, the national tradition of Japan and ideological antipathy, the absence of domestic consensus over foreign policy and rearmament, all militate against such policies.

Japan may want to see an effective balance of power within the region but it is reluctant to become actively involved. It eschews the grand strategy and prefers to deal with issues as they arise.

The Vatican's new *Ostpolitik* and Church–State relations in Eastern Europe

JACQUES RUPNIK

THE election of a Polish Pope was undoubtedly an event of major significance for Church–State relations in Eastern Europe in general, and particularly for countries where Catholicism is strongly rooted in the national tradition—namely Poland, Lithuania, Czechoslovakia, Hungary and Yugoslavia (Croatia and Slovenia). Though evidently embarrassed by the election of Cardinal Wojtyla, the East European authorities tried to strike a reassuring note by immediately providing reasons why this radical departure from Vatican tradition in choosing an East European meant that nothing would change. The Polish Foreign Minister said that, as a Pole, Wojtyla 'knows what is the price of peace and progress and will continue consolidating peaceful coexistence of states'. And the Soviet weekly *New Times* added that his Polish experience was the proof that he was willing to work towards the 'normalization of Church–State relations in the socialist countries'. In short, the Pope was presented as a product of détente who could therefore be expected to develop further the Vatican's *Ostpolitik*. The real question, however, was not whether John Paul II would continue his predecessors' Eastern policy, but rather to what extent he was likely to alter its content.

The author is a researcher and writer on East European affairs. His book, *Histoire du Mouvement Communiste en Tchécoslovaquie, 1918–1948*, will be published in Paris later this year by Presse de la Fondation Nationale des Sciences Politiques.

There are at least two major aspects of the Polish experience that are likely to affect the new Pope's dealing with East European affairs. In the first place, the Roman Catholic Church in Poland has, after 30 years of Communist government, emerged stronger than before because it knew where to draw the line between the necessary practical arrangements with the authorities and ideological concessions. Secondly, the Vatican's *Ostpolitik* is worthwhile only if it makes the national Church a central element in the Vatican's dealings with the regime. Though it is still too early to give a proper assessment, the impact of the election of the Polish Pope has been threefold: a strengthening of the standing and the influence of the Catholic Church vis-à-vis the State; a firmer (and not just diplomatic) approach to *Ostpolitik*; and a boost to the self-confidence of rank-and-file believers in their involvement in the human rights movement.

The Pope's statement about 'atheist' regimes which relegate religious believers to the status of 'second-class citizens' certainly did little to dissipate the apprehensions of Soviet and East European authorities. There were two aspects of the previous Vatican policy that were of direct interest to Moscow, and therefore important in shaping the global contours of the Vatican's *Ostpolitik*: the relations with the Russian Orthodox Church and non-interference in Soviet affairs (Pope Paul VI wrote off the Ukrainian Uniates and did little for Catholics in Lithuania). John Paul II has shown willingness to continue the dialogue with the Orthodox Church started by Paul VI and Metropolitan Nikodim, but he also showed special interest for the Church in the Ukraine[1] and in Lithuania which has strong historical ties with Poland. Meeting Mr Gromyko on 23 January 1979, he made, according to Vatican sources, the following proposals concerning Lithuania: the Vatican would be willing to revise diocesan boundaries so as to make them correspond to the post-war Polish-Soviet boundaries. Vilnius is now formally under two Apostolic administrators, one in Poland and the other in Lithuania banished by the authorities. Wojtyla apparently asked that, in return for recognition of the borders, vacant bishoprics in Lithuania should be filled, particularly in Vilnius which would become the Metropolitan See instead of Kaunas. It is believed that Bishop Steponavicius of Vilnius might well be the Cardinal nominated *in pettore* (without revealing his name) on the list of 15 new cardinals released at the end of May. The Pope's bold initiative will perhaps be received with mixed feelings by some of the more nationalistic Catholics in Poland who are reluctant to abandon the Wilno (Vilnius) question (as suggested by Wyszynski's address marking the

[1] A letter to the exiled head of the Ukrainian Uniates, Cardinal J. Slipyj, published in *L'Osservatore Romano* on 16 June 1979, was in effect an indirect appeal to the Soviet authorities to grant religious freedom to the Uniates, who were incorporated in the Russian Orthodox Church in 1946.

400th anniversary of the former Polish University in Wilno), but it will put an end to a long-lasting dispute and will no doubt be welcomed by the Lithuanian Catholics.

Poland

The new Pope's attitude towards developments in Poland provide perhaps the clearest illustration of the new relationship between the Vatican's *Ostpolitik* and Church–State relations in Eastern Europe. Twice before, in 1966 for the millenary celebration of Polish Christianity and Statehood, and in 1976, the authorities had refused to allow Pope Paul VI to visit Poland because they feared the implications in terms of both popular demonstrations and Church standing. Now they had even more reasons to fear these consequences and still could not prevent the Pope from visiting his homeland in what the Viennese Cardinal Koenig described as a 'psychological earthquake' for the whole of Eastern Europe.

The explanation for this lies in the extraordinary strength of the Polish Church and the changing nature of Church–State relations. The Polish Catholic Church commands the support of some 90 per cent of the population for whom it is, for historical reasons, a symbol of national unity. After having tried, and failed, to suppress it in the 1950s, the Polish authorities hoped in the 1960s to confine it to strictly religious matters. However, in the 1970s crisis of the system marked by two waves of workers' riots and growing dissent, the authorities found it increasingly difficult not to involve the powerful Catholic Church in the shaping of a more stable modus vivendi between state and society. The paradoxical result of the developments in the second half of the 1970s is that, while the Church became increasingly open in its support for the human rights movement and various dissident activities, it also became recognized as the only institution in the country with sufficient authority to act, when necessary, as a moderating force.

Perhaps one of the most striking features of the Polish situation today is precisely this constant interaction between the Church and the opposition, with Catholic intellectuals providing the bridge between the two. Clearly, both the Church and the opposition feel that they have now a wider margin of manœuvre, and that present circumstances are particularly favourable to try to extend even further the limits of tolerance of the Gierek regime.

The support of the Catholic Church given to the opposition has also led the formerly Marxist oppositional intellectuals to reappraise the role of the Church in Polish society. Here is how Adam Michnik, a dissident historian and a leading figure of the lay opposition, assessed the impact of the election of the Polish Pope on relations between the Church and the opposition:

Today the Poles expect that the opening of the Catholic Church to the world will combine the universalism of its values with the inflexible defence of human rights... The Church offered the opposition forces not only wise guidance, but also understanding and support. As a result of this, a broad resistance movement emerged; a movement which in my opinion is capable of leading our country away from a totalitarian form of government and towards a system of democratic relations; a movement characterized by a realistic appraisal of the facts, but also by determination in the striving for the sovereignty of the people vis-à-vis the government. The Poles—Catholics as well as non-Catholics—are known to share their most precious possessions with the world. Now it is the Archbishop of Krakow. What do they want in return? ... They want neither ambrosia from the heavens nor military intervention; nor do they expect the Yalta agreement to be voided overnight. They do not expect any miracles. To them, Cardinal Wojtyla's rise to the highest office in the Roman Catholic Church was a Miracle.[8]

On the ideological level, the rapprochement between the lay dissident intellectuals and the Catholic Church centred on a new concept of politics based on the primacy of ethical values and social solidarity. This idea of the 'moralization' of politics is central to the understanding of the drift of the lay Left away from the 'revisionist' Marxism of the 1960s. In a book entitled 'The Left, the Church and the Dialogue', recently published in Paris,[9] Michnik even says that the rediscovery by the opposition of the absolute primacy of ethical values in social and political life was only possible thanks to the Church which managed to preserve them through its courageous and principled stance vis-à-vis the regime.

Pope John Paul II is very much the product of this Polish experience and could thus hardly be expected to remain silent on issues on which he was, as Cardinal Wojtyla, so outspoken. This has appeared in his statements in defence of religious freedom in Eastern Europe as well as in the two Church–State controversies in which he has been involved: one over censorship and the other over his visit to Poland planned for the 900th anniversary of St Stanislaw.

The campaign against censorship and for the free access to the media has, over the last year, been the major specific theme pressed for by the Polish Catholic Church and dissident intellectuals. In September, the Polish bishops declared in a pastoral letter read at mass in all the churches that 'it is imperative to abolish the intervention of censorship' which 'has always been and still is a weapon of totalitarian regimes'. The election of a Polish Pope brought a new dimension to the Church's battle against censorship. His inauguration was the first occasion ever on which a mass

[8] *Der Spiegel*, 23 October 1978.
[9] *La Gauche, l'Eglise et le Dialogue* (Paris: Editions du Seuil, 1979).

was broadcast in Poland. At Christmas, however, the authorities censored the first message of the Polish Pope to the Poles, which turned out to be a rather counter-productive blunder. The passages censored referred to St Stanislaw but were revealing of the Pope's concept of the role of the Church in Poland: '. . . As bishop of the Krakow Church, St Stanislaw defended his contemporary society from the evil which threatened it and he did not hesitate to confront the rulers when the defence of the moral order called for it'; similarly St Stanislaw was presented as an 'advocate of the most essential human rights, on which man's dignity, his morality and true freedom depend.' The editor of *Tygodnik Powszechny* refused to publish a censored version. The authorities eventually apologized to the Vatican and blamed the whole thing on an 'over-zealous official'. The incident was a sign of weakness and of divisions within the Party apparatus about how they should deal with the Church. The same divisions reappeared in the discussions concerning the date of the Pope's forthcoming visit. As the Pope announced unilaterally his intention to visit Poland in spite of strong opposition from some elements in the Party, the principle of the visit was agreed at a meeting between Gierek and Wyszynski as part of a larger package concerning Church–State relations. Beyond the controversy over the visit, this again was a confirmation of the new Pope's determination to use his authority more fully to back the national Church in its relationship with the State.

Czechoslovakia

There has been no sign so far since the election of the new Pope of any subsidence in the official antireligious repression practised in Czechoslovakia over the last decade. The latest case was that of Vojtech Srna, a Catholic priest sentenced to one year of gaol at the end of May for celebrating a mass without official approval.

But judging by the large number of appeals sent to the new Pope since last October, his election gave a boost to the rank-and-file Catholics increasingly involved with the Charter 77 human rights movement.[4] However, two major recent developments suggest that some sort of modus vivendi between the Vatican, the Church and the Czechoslovak state could be worked out in the near future. The first was the appointment last year of Cardinal Frantisek Tomasek as Archbishop of Prague, and thus head of the Catholic Church in the Czech lands. On his return from the Vatican, Tomasek published an account of his meeting with the new Pope, whom he has known personally for many years.[5] He said the Pope was 'very well informed about the life of our Church' and quoted Wojtyla as saying: 'We are very close and now we shall be even closer

[4] An intense co-operation has now developed between human rights campaigners in Prague and in Warsaw, and between Polish and Slovak Catholics.
[5] *Katolicke Noviny*, 5 November 1978.

because I am now invested with the task of looking after you. I assure you that I will strive to do everything necessary for the development of spiritual life in your country.' There is, however, a shadow in this brightening picture: in return for agreeing to the filling of vacant bishoprics in Slovakia (see below), the head of the State Office for Religious Affairs, K. Hruza, is pressing for the appointment of Josef Vrana—a pro-regime 'peace priest' as Archbishop of Olomouc. Tomasek is 80 and Vrana would thus eventually succeed him as head of the Czech Catholic Church. Whether Wojtyla accepts the 'deal' will be another indication of his approach to Church–State relations in Eastern Europe.

Not being a single-nation state, Czechoslovakia, unlike Hungary and Poland, does not have a Primate. Hence the importance of the Vatican changes concerning Slovakia, which were designed to make the borders of Church dioceses coincide with those of the Czechoslovak state and with its internal federal structure. A new Slovak ecclesiastical province has been created with Trnava as its See. (Since the days of the Austro-Hungarian Empire most Slovak dioceses—Nitra, Banska Bystrica and Spis—were, at least formally, dependent on the Hungarian Archdiocese of Esztergom, while other dioceses—Kosice and Roznava—were until now attached to the Archdiocese of Eger.) Now, after decades of formal Hungarian dependence but de facto Vatican administration, the Slovak Catholic Church has been granted administrative independence. This in itself is important in a country where Catholicism and national feelings are closely tied. It could not have been achieved without the approval of the Czechoslovak authorities, and it is likely that President Husak took a personal interest in the question. After all, he himself once was an advocate of Slovak autonomy and no doubt he hopes to get some of the credit for this reform in the Vatican and among Slovak Catholics. This underlines the ambiguity of Husak's policies in Slovakia, particularly vis-à-vis the Catholic Church. While political repression against intellectuals and Dubcekite Communists was undoubtedly much harsher in Prague than in Bratislava, it is also often forgotten that the prime target of repression in Slovakia has been the Catholic Church. It will therefore be interesting to see whether the Husak regime is prepared to agree to the Vatican's proposed appointment of Dr Julius Gabris as Archbishop of Trnava, and by the same token head of the Slovak Catholic Church. Such a move might well fit Husak's policy of 'divide and rule', trying, after 20 years of Novotny's anti-Slovak arrogance, to flatter Slovak national feelings as an essential component of his policy of 'normalization'. But it could also produce the opposite effect and undermine Husak's Slovak strategy by creating an alternative focus of identification for Slovak nationalism.

Yugoslavia

Of all East European countries, Yugoslavia enjoys, since the mid-

1960s, the best relations with the Vatican based on the recognition of the Church's rights in the spiritual sphere in exchange for its neutrality in political matters. However, since the election of the new Pope there are signs that the Church in the predominantly Catholic Republics of Slovenia and Croatia is now ready to speak out more forcefully on issues such as religious education and access to the media. This was made clear by Mr V. Oslak, a writer and ex-Communist, in a lecture commemorating the 60th anniversary of the Republic in November.[6] He also demanded the right for Catholics 'to pursue any form of political activity they feel suitable and compatible with the Constitution'. In his New Year address, the Archbishop of Ljubljana, Dr Jozef Pogacnik, complained of restrictions on religious education. Referring to the official line on religion he said: 'If religion is a private matter, so must be atheism'. Breaking another official taboo, Dr France Rode, Professor at the Theological Faculty in Ljubljana, traced back the present difficulties to the war-time conflict between the Catholic Church and the Communist Party. He and the Archbishop were called in front of the Commission for Church–State relations. The election of the new Pope and the changes that it brought to the Vatican's *Ostpolitik* clearly encouraged the Slovene and Croat Catholic Churches to speak out boldly. But the authorities so far seem to have tried to avoid a deterioration in their relations with the Church, aware as they are of the need to enlist its support in consolidating the national consensus, especially in view of the forthcoming transition to the post-Tito era.

Hungary

Pope John Paul II made his first direct intervention in Church affairs in Eastern Europe in a letter to the Hungarian Primate, L. Lekai.[7] In both Poland and Hungary, the letter said, the Roman Catholic Church had from its inception been identified with the national tradition. But these words of praise for the historical role of the Hungarian Catholic Church and for what the Pope called the 'common destiny' of the Church in Poland and Hungary only served to stress the contrast in the present standing of the two Churches and their attitudes towards the Communist authorities. Suggesting a certain passivity on the part of the Hungarian Church, John Paul II concluded his message by urging the Hungarian Primate to 'strive towards bearing your apostolic witness in such a way that it would be effective and that it would always honour your national tradition.'

The letter has to be seen against the background of mounting tension between the Polish and Hungarian Catholic hierarchies. Last summer, at

[6] *Frankfurter Allgemeine Zeitung*, 29 May 1979.
[7] The letter appeared in the Hungarian Catholic publication *Magyar Kurir*, 19 December 1978, and *L'Osservatore Romano*, 22 January 1979.

a meeting with Hungarian bishops, this culminated in the Polish Primate, Cardinal Wyszynski, expressing complete disagreement with his Hungarian counterpart's views on Church–State relations in Eastern Europe. On the eve of the conclave in Rome in August 1978, the row broke out into the open when Poland's Cardinal Wyszynski was reported to have branded Cardinal Lekai as a 'collaborator "selling off" the interests of the Catholics to the Communists'.[8] The latter replied that he merely followed the instruction of Pope Paul VI and claimed to have improved the situation of the Hungarian Catholics.

The contrast between the low-key, step-by-step approach to the defence of the rights of believers in Eastern Europe of the Hungarian Church and the more assertive, uncompromising stance of the Polish Catholics has its roots in their uneven strength and a different assessment of their experience of 30 years under Communist rule. The Hungarian hierarchy today probably feels that the intransigence demonstrated in the past by their Primate, the late Cardinal Mindszenty, though proof of remarkable courage, led to a total impasse in the relations with the regime.

His successor, Cardinal Lekai, does not see himself as invested with the mission of defending the supreme interests of his nation. Instead, he has sought essentially pragmatic arrangements with the authorities allowing the Roman Catholic Church to develop its activities. This was, of course, in line with Pope Paul VI's *Ostpolitik*; for the Hungarian Church this meant not getting involved in general political issues, while for the Hungarian regime it meant allowing the Vatican to appoint its own Bishops and Archbishops. This normalization of Church–State relations was to culminate in the visit of the Hungarian Party leader, Janos Kadar, to the Vatican in June 1977. Since then Cardinal Lekai has followed the same cautious line of avoiding criticism of the regime in the hope that the government would grant more leeway to the Roman Catholic Church. To this the Polish Catholics, who have always shown reserve towards the Vatican's *Ostpolitik*, reply that they have obtained as much and more without curtailing their freedom to speak out when they consider it necessary. But here again the difference in approach seems to reflect a difference in the influence of the two Churches.

Whilst the Polish Church has gone on enhancing its position—and is now acknowledged both as the spokesman for popular aspirations and a stabilizing force in the most restless country in Eastern Europe—the Hungarian Church, nominally representing more than half of the population, has seen its influence diminish in a society which has become increasingly secular in outlook. Despite the common historical traditions in the role of the Polish and Hungarian Catholic Churches stressed by Pope John Paul II in his letter to Cardinal Lekai, today their positions

[8] *L'Express*, 28 October 1978.

seem quite different. Clearly, there is great diversity in the situation of the Roman Catholic Church in Eastern Europe depending on how deeply rooted Catholicism is in the population, and how flexible the government is prepared to be. The main question thus raised in the context of the Pope's spectacular visit to his homeland is whether the Polish experience should be seen as an exception or as an example which could be followed by the Catholics throughout Eastern Europe.

The Anglo-American initiative on Rhodesia: an interim assessment

ELAINE WINDRICH

Two years ago an Anglo-American plan to resolve the Rhodesian conflict was launched with high hopes for success. In Britain there was a new Foreign Secretary (David Owen) who had not been associated with any of the earlier schemes to sustain white control in Rhodesia; and in America there was a new Administration (with a new Ambassador, Andrew Young) pledged to support the attainment of majority rule in southern Africa. For the first time since the unilateral declaration of independence (UDI) in 1965, British and American objectives regarding Rhodesia appeared to converge. However, a policy which seemed possible or even probable in 1977, given the combined power and determination of Britain and the United States, and the support of the United Nations, no longer appears a realistic option today, particularly with the advent of a Conservative Government in Britain favouring support for the Rhodesian internal settlement. Nevertheless, although the Anglo-American initiative has been overtaken by 'the new realities', as the American Secretary of State (Cyrus Vance) put it, it remains as a point of departure for any future plan that may be devised to bring about a peaceful solution to the conflict.

The various efforts to obtain a Rhodesian settlement over the past 15 years can now be seen as having two quite distinct objectives, with the dividing line set at 1976. Prior to that time all British offers, from Labour and Conservative governments alike, conceded independence under white minority rule, with only token African political participation. Even these, however, were unacceptable to the Smith regime; and when it

The author is a Visiting Scholar at Stanford University; author of *The Rhodesian Problem, 1923–1973* (London: Routledge and Kegan Paul, 1975), and *Britain and the Politics of Rhodesian Independence* (London: Croom Helm, 1978).

finally obtained British consent to a scheme permitting the indefinite postponement of majority rule, the Africans overwhelmingly rejected it. The ensuing deadlock might well have persisted had not two major events occurred: the collapse of Portuguese rule in Mozambique and Angola and the escalation of the guerrilla war. It was at this stage that the Rhodesian conflict became an international one, with South Africa supporting the Smith regime, the 'front-line' states backing the guerrillas and the United States intervening, overtly with diplomatic pressure, to deter an expansion of Soviet and Cuban influence from Angola to Rhodesia.[1] As the American initiative could only have been credible on the basis of a commitment to majority rule, the British Government conceded for the first time (in March 1976) that this was indeed its objective; and the US Secretary of State, Henry Kissinger, proceeded to extract from Mr Smith and the South African Prime Minister, John Vorster, acceptance in principle for such a proposal. However, as the subsequent negotiations at the Geneva conference soon revealed, the Smith regime had no intention of implementing a policy that would bring majority rule to Rhodesia. But by this time a new Administration in America, which coincided with the appointment of a new Foreign Secretary in Britain, provided the opportunity of formulating a policy which would take into account the lessons of previous endeavours.

Perhaps the most obvious of those lessons was the inability, or the unwillingness, of successive British governments to impose a constitutional solution unacceptable to the white minority regimes of southern Africa. For this reason, the primary concern of Dr Owen was to ensure that any new initiative on Britain's part would have the support of the international community and in particular of the United States. Although the latter had shown only a belated interest in southern Africa, as an area of potential rivalry with the Soviet Union, the result of Dr Kissinger's abortive intervention was that Britain was left holding the proverbial baby (in the form of the Geneva conference) after his Administration had been voted out of office. But one indication of continuing American concern was the immediate decision of the Carter Administration to send Mr Young on a diplomatic mission to consult with the front-line Presidents in southern Africa. And the new Secretary of State, Cyrus Vance, confirmed the commitment when he told his first press conference in Washington that under no circumstances could the Rhodesian regime 'count on any form of American assistance in their effort to prevent majority rule in Rhodesia or to enter into negotiations which exclude leaders of nationalist movements'.

Although assured of American support when he undertook his first round of negotiations in southern Africa in April 1977, Dr Owen had

[1] See Elaine Windrich, 'Rhodesia: The road from Luanda to Geneva', *The World Today*, March 1977.

still to contend with the problem that had beset all previous negotiations: the refusal of the Smith regime to consent to its own liquidation. While this point had been considered with his American colleagues, there was no evidence that either side was particularly concerned about it as a possible deterrent to their initiative, in spite of the repeated warnings from the Tanzanian President, Julius Nyerere. But they also had before them the lesson of the previous mission (undertaken by Britain's representative at the United Nations, Ivor Richard) which had failed because the Smith regime would not give way to a British-supervised transitional administration based upon majority rule. Nevertheless, when Mr Vance had welcomed those proposals as 'a valid basis for negotiations', he too gave no indication of what the American Government intended to do about Mr Smith's rejection of them.

Another factor to be taken into account, because it had also contributed to the failure of previous efforts for a settlement, was Mr Smith's negotiating tactics. As Lord Blake described them: 'For Ian Smith negotiation was not a matter of compromise, but of wearing down one's opponent till he concedes all the points at issue that matter.'[2] This was indeed his strategy with every British contender, from Sir Harold Wilson through Lords Aylestone, Thomson, Goodman and Home. The interminable delays, the repetition of ill-founded arguments, the unsubstantiated claims, the charges of treachery and deception—all these were met with by Dr Owen just as they had been by his predecessors. The only difference now was that a British minister could share this experience with his American colleagues, who were also the recipients of South African as well as Rhodesian tirades against their human rights policy. But Mr Smith's style of negotiation, and in particular his delaying tactics (what he called 'pulling the wool over the eyes of the British'),[3] was to prove a decisive factor in blocking the new initiative.

Although the Anglo-American negotiators did not appear to have worked out a strategy for overcoming these obstacles to a settlement, in the American case largely as a result of their previous lack of interest in or knowledge of southern Africa and in the British because of their undue reliance upon the illusion of American power to back them up, the plan which they devised nevertheless contained the essential elements for a peaceful, orderly and irreversible transfer of power to the black majority. The key provision on which the whole scheme was based was the abdication of the Smith regime, from which all else would follow: a British resident commissioner to preside over the transition; a United Nations peacekeeping force; an independence constitution reflecting majority rule and minority rights; internationally supervised elections; the inte-

[2] See Robert Blake, *A History of Rhodesia* (London: Eyre Methuen, 1977), p. 362.

[3] *The Times*, 8 May 1978.

gration of the guerrillas, with acceptable elements of the Rhodesian security forces, into a national army; and an internationally financed aid programme for the economy of an independent Zimbabwe. Before any of these steps could be taken, however, there had first to be a ceasefire, since neither the British nor the UN participants would be able to exercise their authority while hostilities continued. Nor would there be an end to UN-imposed sanctions until the war had come to a halt and the process of achieving majority rule had been irreversibly established. But whether this process could be set in motion at all depended upon the determination of the British and American governments to exert sufficient pressures to bring the contending parties into the agreement. And if they were to rely upon the front-line Presidents to influence the guerrilla leaders, then they in turn would be expected to deliver Mr Smith (via South Africa, if necessary) for their side of the bargain.

The internal settlement

But the main difficulty in proceeding with the Anglo-American initiative was Mr Smith's parallel negotiations for an internal settlement. Although this was the obvious solution by which he could contain the pace of African political advance short of majority rule, it had not yet been attainable because no African leaders had been willing to participate in a scheme that would undermine their credibility. However, since recurring divisions in the African nationalist movement[4] had always enabled the white minority to practise the device of divide and rule, the opportunity once more presented itself in the form of two deposed leaders who had nowhere else to go after the guerrilla forces proclaimed their allegiance to the Patriotic Front formed by Joshua Nkomo's Zimbabwe African People's Union and Robert Mugabe's Zimbabwe African National Union in October 1976. That something along these lines was being worked out by the Smith regime, in collaboration with the South Africans, was evident from their decision to suspend the detention order on the exiled Rev. Ndabaningi Sithole, who was now denouncing 'terrorism' from his base in Malawi, so that he could return to Rhodesia. But in spite of his newly acquired supporters, Rev. Sithole, with his impeccable nationalist credentials, was an obvious candidate for this new role, particularly since he had lost the leadership of ZANU to his party rival, Robert Mugabe, while they were still in detention. The other main candidate was Bishop Abel Muzorewa, who had lost the leadership of a unified African National Council when the ZAPU and ZANU forces seceded from the fragile union imposed by the front-line Presidents in December 1974, but who, unlike Rev. Sithole, could still count upon a considerable personal following, much of it attributable to his role as head of the

[4] See John Day, 'The divisions of the Rhodesian African nationalist movement, *The World Today*, October 1977.

United Methodist church in Rhodesia. But the dilemma for both these African leaders was that the only settlement which would be acceptable to the Smith regime, namely one which retained white minority control, would be unacceptable to the vast majority of the African population. Consequently, although they might ensure their own position under such an arrangement, however precarious that might be, they could not easily claim a popular mandate for what they were prepared to concede. Nor could they bring an end to a war which was being fought to abolish the white power that would be preserved with their agreement.

While Mr Smith was persuading his black candidates of the merits of an internal settlement, and also delaying the Anglo-American initiative by an appeal to the white electorate for a renewed mandate for that purpose, Dr Owen and Mr Young were seeking support for their proposals from the front-line Presidents and the Patriotic Front. Although they had found the Presidents receptive to the scheme for a British-led transition to majority rule, and the diplomatic team led by John Graham of the Foreign and Commonwealth Office and Stephen Low, the US Ambassador to Zambia, had obtained the Patriotic Front's agreement to internationally supervised elections, a bill of rights and an independent judiciary, it was evident that the stumbling block would remain the means by which majority rule would be implemented. Since the previous efforts, first by Dr Kissinger and then by Mr Richard, had broken down over the issue of control of the transitional government, and in particular the security apparatus, any new scheme would require the presence of an external force to ensure that majority rule would be achieved peacefully and without obstruction. Although the proposals put by Mr Richard had included a token British presence, no provision had been made for dismantling the Rhodesian security forces, which the front-line Presidents and the Patriotic Front were now demanding as part of any constitutional settlement. However, since the Smith regime and its South African allies had ruled out participation by the guerrilla forces, such an arrangement would be unacceptable to them, as it would be to the rival African factions led by Rev. Sithole and Bishop Muzorewa, which now had their own private armies, or 'auxiliaries', most of them recruited from the unemployed and trained by the Rhodesian security forces.

Thus the dilemma for the Anglo-American negotiators was that, whatever provision they made for security during the transition, they would inevitably rule out the possibility of acceptance by both sides, since the Patriotic Front would not participate in an agreement policed by the Smith regime and the latter would not consent to the presence of the guerrillas. In the final analysis, however, the Anglo-American plan would of necessity come down on the side of the front-line Presidents and the Patriotic Front, if only because British policy since the UDI had been directed towards replacing the rebel regime with a government accept-

able to the Rhodesian people as a whole. And that policy, however ineffectual in the past, was the only one which was in accordance with world opinion as reflected in the Commonwealth and the United Nations. In fact, it was the Tanzanian President, a leading figure in the Commonwealth as well as the front-line states, who reminded Dr Owen of Britain's commitment to the Commonwealth Prime Ministers' communiqué of June 1977, calling for 'not only the removal of the Smith regime but also the dismantling of its apparatus of repression'. And since President Nyerere had also obtained President Carter's commitment to this view during his visit to the United States in August 1977, both Britain and America now accepted that the Rhodesian security forces would be placed under the control of the British resident commissioner; that certain units, such as the notorious Selous Scouts, would be disbanded; and that the new Zimbabwe army would be built up from the guerrillas and 'acceptable elements' of the Rhodesian forces. With this issue apparently resolved, the Anglo-American proposals were endorsed by the front-line Presidents and the Patriotic Front as 'a sufficient basis for further negotiations', although the latter expressed reservations about the powers conferred upon the British resident commissioner and also about the retention of certain elements of the Rhodesian security forces, particularly the police.

Although the Anglo-American commitment on the security issue was dismissed by Mr Smith as 'crazy' and 'insane', when the proposals were officially presented to him by Dr Owen and Mr Young on 1 September 1977, there was no indication that the initiative would be abandoned (as its predecessor had been) solely on the basis of objections from the Rhodesian regime, even though it had South African support for them. Instead, Dr Owen, proceeding as though Mr Smith's veto did not exist, went ahead to obtain United Nations endorsement for a military contribution, with the clear warning that the world would no longer allow South Africa 'to sustain an obdurate illegal regime in Rhodesia were it to refuse to give up power'. And Mr Young confirmed that no one, least of all Mr Smith, should be under any impression that American pressure would cease if the proposals were rejected. But in spite of these brave words, the reality was that Mr Smith had confronted the British and American governments with a fait accompli. While they were seeking the agreement of the other parties to the conflict, he had succeeded in convincing the two black leaders inside Rhodesia that, since neither he nor they would have a significant political role in a Zimbabwe established on the basis of the Anglo-American plan, their salvation was a mutually beneficial trade-off by which the principle of one man, one vote would be conceded in exchange for the preservation of 'white confidence' and 'civilized standards'.

However, Mr Smith's victory over his external adversaries as well as

his internal collaborators was a qualified one, since it could not in the long run be sustained. As a result of the concessions which he had extracted from the two black leaders, the outcome of their negotiations bore little resemblance to the majority rule which was the alleged objective of the exercise, and also the basis upon which international recognition would be sought. The most obvious evidence of surrender to Mr Smith's conditions was that a minority of only 3 per cent of the population would be able to elect 28 per cent of the parliamentary seats (with a similar proportion in the Cabinet) and white MPs would wield a veto over all legislation relating to the constitutional clauses (121 of them out of the 170) entrenching white privileges. In addition, white control of the civil service, judiciary, police and armed forces was assured by 'freezing' the positions held by whites and establishing white commissioners to administer those services outside the control of future black ministers. And on the local level, even the Rhodesian Front's policy of 'provincialization' (modelled on South African Bantustans) was resurrected as 'regionalism', guaranteeing that sensitive matters such as education, health care and residence would be the responsibility of the local community in which the different races resided. Although the duration of these complex arrangements to retain white control was stated as ten years, in fact indefinite renewal was possible if white judicial advisers so ruled and Mr Smith himself had promised that the restrictions would apply for several decades ahead.

With the adoption of the internal settlement on 3 March 1978,[5] in what amounted to a second UDI by Mr Smith, the Anglo-American negotiators could no longer maintain that their initiative was still 'on course' or 'very much alive'. Although they continued to go through the motions of consulting the front-line Presidents and the Patriotic Front on the means by which the transitional arrangements would be implemented, there was an air of unreality about the proceedings which prompted Mr Mugabe's charge that the British Government would not pursue a settlement unless it were acceptable to Mr Smith. Thus, just as all previous British proposals had been abandoned because Mr Smith would not have them, it now appeared that a similar situation was in the offing, in spite of the very considerable difference that this time the United States was also involved. But this in itself proved to be a mixed blessing, because the unity of purpose which had inspired the initiative was considerably diminished after Mr Smith produced his internal settlement. The initial differences arose over the reception of the rival scheme, with Mr Young warning that it was 'a recipe for a black-on-black civil war' and Dr Owen conceding that it was 'an important first step' towards an all-party agreement, although the Americans soon adjusted their position to coincide

[5] See John Day, 'The Rhodesian internal settlement', *The World Today*, July 1978.

with that of the British. While that scheme did not fulfil the purposes for which the Anglo-American plan had been devised, it nevertheless had some very vociferous and influential supporters within the two countries. This meant that while the British and American administrations were attempting to get their plan into operation, their political opponents at home were encouraging Mr Smith to proceed with his own version of a settlement. As a result, they now found themselves fighting a war on two fronts, with their domestic preoccupations, which inevitably varied in timing and intensity, a continuing source of friction between them. This in turn had the effect of lessening the credibility of their initiative, since Mr Smith and his black partners would continue to hold out so long as they believed that the return of a Conservative government in Britain (and a more sympathetic one in the United States) would bring them recognition on *their* terms.

In addition to the domestic pressures to recognize the internal settlement, the two governments were also confronted with the problem of how to proceed with proposals that were not acceptable to the new regime in Salisbury. If Mr Smith and his black partners would not surrender their ministerial titles and salaries for the purpose of testing their popularity in an internationally supervised election, then the Anglo-American plan could not be implemented without the application of additional and more stringent sanctions. On the other hand, it was not a realistic proposition to try to persuade the Patriotic Front to abandon the proposals they had accepted in order to join a transitional government under the control of a white bureaucracy and white security officers, and which in any case would not lead to black rule. Seeking a way out of their dilemma, because they had no intention of taking measures to cut off Mr Smith's vital supplies of oil and white manpower, the Anglo-American negotiators settled upon a compromise that would merge the rival plans and bring together the contending parties. But the possibility of a compromise on that basis did not exist, as the abortive attempts to bring Mr Nkomo and his ZAPU forces into the internal settlement confirmed. Although the secret manœuvres in Lusaka broke down because Mr Smith would not concede Mr Nkomo's demand to lead a black government, the fact that they had taken place not only caused a rift within the Patriotic Front and the front-line states, since the exclusion of Mr Mugabe's ZANU forces was implied: the more lasting effect was to confer an aura of legitimacy upon the internal settlement which Mr Nkomo was to join, although his conditions for doing so would require a substantial revision of the terms.

While the two governments attempted to mediate between the rival camps, apparently having abandoned their original proposal for the abdication of the Smith regime, the latter, now extended to include representatives of the parties of Bishop Muzorewa, the Rev. Sithole and the tribal Chief Chirau, were seeking international recognition for their

settlement. Far from being deterred by the vote of condemnation by the UN Security Council, they were instead encouraged by the Anglo-American decision to abstain. Further encouragement was forthcoming from political and business groups in Britain and the US and, on a massive material scale, from South Africa. While there had always been an active Rhodesia lobby in both Britain and America, their influence had been somewhat limited by the fact that what they had to sell—namely white minority rule—was not a value which was generally accepted in their societies. But with the formation of a multi-racial transitional government committed to Mr Smith's version of 'responsible majority rule', they now had a seemingly more attractive package to market. Even before this stage was reached, however, they had played a crucial role in making the internal settlement possible. On each occasion that a breakdown was threatened, because of Bishop Muzorewa's reluctance to sacrifice his remaining credibility to Mr Smith's demands for white control, the intervention of the American Rhodesia lobby (and also the South Africans) was decisive. In the former case, a vice-president of Allegheny Ludlum, the Pittsburg mining industry which had lobbied successfully for the 1971 Byrd Amendment to lift sanctions on chrome, actually participated in the final stages of the negotiations to ensure that Bishop Muzorewa did not yield to party pressure to resist a sell-out. Also instrumental in facilitating the negotiations was Rev. Sithole's adviser, Neville Romain, a former CIA agent of South African origin, who served as a lobbyist in Washington to recruit Congressional support for the Sithole faction.[6] As for the British Rhodesia lobby, which also backed the case for recognition and the lifting of sanctions, their influence was considerably enhanced by the recruitment to their cause of the Conservative party leadership, including Margaret Thatcher, and foreign policy spokesmen such as Lord Carrington and Francis Pym, who were now advocating recognition of the internal settlement, subject only to its endorsement by the Rhodesian people,[7] although only the whites were given that option in the referendum and the black vote in the April elections was limited to candidates supporting the settlement.

Even more significant was the role of the South African Government, which not only propped up the regime with material assistance but also supported Mr Smith's decision to block the Anglo-American initiative with a settlement of his own. Although it was a well-known fact that the South African military had been operating in Rhodesia since 1967 (but ostensibly withdrawn during the détente exercise in 1975), an increasing number of South African 'volunteers' were doing their national service in the Rhodesian security forces (as the casualty figures revealed) and

[6] *Washington Post*, 12 March 1978.
[7] See statement by Lord Carrington on Independent Television News quoted by Radio Salisbury, 7 March 1978.

South African-supplied aircraft were observed in the Rhodesian bombing raids on the front-line states. In addition, according to the confessions of Eschel Rhoodie, one of the chief culprits in the Information Department 'Muldergate' scandal, large sums of money (initially over R$ 1 million) were paid from the secret slush fund to build up popular support for Bishop Muzorewa and, to a lesser extent, the Rev. Sithole. That South Africa had been an intermediary in the return of Rev. Sithole to join the Smith regime had been suspected all along; but the new revelations also confirmed that it had played a direct role in the negotiations for a settlement, during which the black participants were in constant communication with members of the Vorster administration, including Mr Rhoodie and his collaborator, General van den Bergh, then head of the Bureau of State Security (BOSS).[8] In view of this commitment, it was not surprising that the South Africans were markedly unenthusiastic about the Anglo-American proposals to remove from power those whom they had so assiduously installed or sustained. But their final coup was still to come: the April elections, conducted with the aid of South African money, manpower, military equipment, and transport for the international observers, would crown the efforts of their candidates and establish a government committed to a regional alliance system dominated by Pretoria.[9]

Closely linked with South Africa's secret projects to win friends and influence in the Western world, and an important factor in undermining the Anglo-American initiative, has been the Rhodesian regime's propaganda offensive. The strategy employed by its Ministry of Information (directed over the past 15 years by the right-wing extremist, Pieter van der Byl) has been to portray the internal settlement as a victory for moderation and its participants as the only genuine representatives of the Rhodesian people. The reverse side of the portrayal is that their ZAPU and ZANU opponents are 'Marxist terrorists', determined to seize power through the barrel of a gun because they do not have popular support. The fact that the Patriotic Front have accepted internationally supervised elections is either passed over in silence or conveniently dismissed. And the embarrassing reality that the guerrilla forces hold sway over large areas of the countryside and that some 250,000 Africans have fled Rhodesia to become refugees or recruits for the Patriotic Front is still attributed to intimidation and abduction. But any views to the contrary, and in particular those opposing the internal settlement or advocating the Anglo-American proposals, have been severely restricted by the rigid censorship and state control of broadcasting which have prevailed since the UDI, including the period of the April elections. As Bishop

[8] *The Observer*, 25 March 1979. Mr Rhoodie also revealed that authorization to spend the secret funds was made by the Finance Minister, Owen Horwood, who is Ian Smith's brother-in-law.

[9] *Sunday Mail* (Salisbury), 22 April 1979.

Muzorewa's initiative to ban the only independent African newspaper (the *Zimbabwe Times*) confirmed,[10] the channels of communication will remain closed to those offering an alternative to the internal solution.

But the most ironic aspect of the Rhodesian propaganda campaign was that, while Mr Smith was accusing the British and American Governments of having gone back on their promise to recognize a Rhodesian government based on majority rule ('we did everything they asked of us' was his constant refrain), he and his black partners proceeded to tear up the settlement which was supposed to bring this about. As a result of their new agreement on 30 November 1978 (allegedly induced by the refusal of white officers to fight for an 'inexperienced' black administration),[11] a 'government of national unity', including Mr Smith and his white ministers, would be formed irrespective of whether any party won a majority in the April elections. With this decision to nullify the will of the black electorate for even the limited choice they were permitted, the last pretence of majority rule was abandoned, since Bishop Muzorewa, the only contestant with any significant black support, would be obliged to share the spoils of his victory with his white partners as well as his black rivals.

Thus, with the Rhodesian Front's assurance of all 28 white seats determined in advance,[12] all that remained was to ensure that a sufficiently impressive proportion of the electorate turned out to vote. This result (allegedly 62 per cent) was achieved, despite the extravagant guerrilla threats of disruption, with some 100,000 white males mobilized for the occasion and martial law, in addition to the permanent state of emergency, applicable to most of the country. Whether a majority of the Africans eligible to vote did in fact do so must remain a matter of speculation, since there was no electoral register and reliable census figures do not exist. But the real issue, so far as international recognition is concerned, is whether those who voted did so freely, and on this count the relevant factor is the prevailing civil war. Aside from the Africans who genuinely expressed their enthusiasm for Bishop Muzorewa, particularly in the heavily secured 'white areas' surrounding Salisbury, those who recorded a vote—the inmates of 'protected villages', the alien workers, the domestic servants and the labourers for white farms, mines and factories—did so at the behest of the security forces, the private armies or the white employers who accompanied them to the polls. In the absence of a Pearce-type commission, or a neutral international one, to determine whether such an arrangement was 'acceptable to the Rhodesian people as

[10] *The Herald* (formerly *Rhodesia Herald*), 17 October 1978.
[11] *Rand Daily Mail*, 2 December 1978.
[12] The liberal white opposition party, the National Unifying Force, boycotted the contest, leaving a few independents to put in a token appearance.

a whole', the verdict on this election, as the *Financial Times* put it (24 April 1979), was 'a flawed triumph' for the Smith regime.[13]

Nevertheless, the 'new realities' are that as a result of that election Rhodesia now has a black Prime Minister—admittedly in harness with Mr Smith as a ministerial 'overlord' and his white colleagues in charge of finance, justice and agriculture—and that in Britain and the United States a significant proportion of their respective governments is prepared to endorse such a solution, as the American Senate vote for recognition and the lifting of sanctions revealed.[14] But there are other realities to be taken into account, such as the continuing guerrilla war. And the fact that the Patriotic Front retains the support of most of the world community, as reflected in the verdicts of the Commonwealth and the United Nations, is another reality which no British or American government, in terms of their trade and diplomacy, can afford to ignore. While the British temptation to be rid of the perennial Rhodesian problem is an understandable one, a decision to do so by granting recognition to the Muzorewa–Smith regime would not produce that result, even if American support for such a policy could be procured. Alternatively, whether there is to be yet another Anglo-American initiative to bring together the contending Rhodesian parties remains to be seen, but consultations between Mr Vance and the new Foreign Secretary, Lord Carrington, have already begun and the latter will be conferring with his Commonwealth colleagues (who have condemned the internal settlement and the elections held on that basis) when the Prime Ministers' conference meets in Zambia next month. However, the only joint effort by Britain and the United States that would now have even a marginal chance of succeeding would be one that recognized, as its predecessor did two years ago, that a peaceful solution to the Rhodesian conflict is possible only in the context of genuine majority rule.

[13] An article summarizing the different conclusions of Lord Boyd's team of observers which reported to Mrs Thatcher will be published in a subsequent issue of *The World Today*.

[14] The vote for the 'sense of the Congress resolution', which is not binding on the President, was 75 to 19, but the subsequent Senate vote (on 12 June 1979) of 52 to 41 was not sufficient to override President Carter's decision to retain sanctions.

Tanzania's intervention in Uganda: some legal aspects

NOREEN BURROWS

TANZANIA'S recent intervention in Uganda provides the opportunity for international lawyers to review the rules which govern the use of force in international relations. International law after 1945 has been dominated by the view that any resort to force, with the two exceptional circumstances of the right to self-defence and the right to collective action authorized by the United Nations, is not permissible. Intervention in the affairs of another sovereign state is seen to be one of the worst and most flagrant violations of international law and lawyers from all ideological camps have denounced the threat or use of force as being disruptive of the international political and legal system.

The Tanzanian involvement in Uganda therefore poses problems for the international lawyer. Is he to characterize the actions of President Julius Nyerere as being 'intervention in the domestic affairs' of Uganda and, if so, is such action *legally* justified on the grounds of self-defence, the only permissible grounds in law? Or should the Tanzanian action be seen as providing assistance to belligerents in a civil war, legitimated perhaps on the grounds of counter-intervention due to the initial intervention of Libya in granting military aid to the *de jure* (i.e. the lawful) authority? In law, the Uganda–Tanzania conflict cannot be described in any terms other than those used above. One possible exception could be to define the situation as a 'war of national liberation' which in the recent practice of states seems to be accepted as a legitimate use of force. However, such wars of national liberation have, to date, been viewed as legitimate only in the context of the struggle against colonial rule. In this context, arguments in favour of self-determination have been the essential legitimating factor; but it is commonly believed that the right of self-determination, if it is a legal right at all, can only be exercised once. After a colony has achieved independence, groups or tribes, ethnic or religious minorities, are unable to claim self-determination within the new state. In principle, their rights are secured by provisions relating to human rights and fundamental freedoms.

The Tanzania–Uganda conflict straddles all three of these possible definitions. To an outsider who knew nothing of the regime of Idi Amin, or of the worsening relations between Uganda and certain other states, the action of Tanzania in crossing into Uganda, occupying first the major cities of Kampala, Entebbe and Jinja and then the rest of the country,

The author is a Lecturer in Law at the University of Leicester.

would clearly constitute military intervention in the domestic affairs of another state, given the accepted definition of intervention in international law. Oppenheim describes it as

> dictatorial interference by a state in the affairs of another state for the purpose of maintaining or altering the actual condition of things.[1]

In his analysis of intervention, James Rosenau gives a rather more refined definition of intervention as being a break in conventional forms of interaction in a relationship, which is directed at changing or preserving the structure of political authority in the target state.[2] This definition is expanded by K. J. Holsti who adds a further characteristic to the effect that 'most, but not all, of the unconventional actions are taken without the consent of the legitimate (e.g. commonly recognized) government.'[3] Whatever definition we take, the activities of the Tanzanian forces constitute, without doubt, intervention. In law, these activities constitute illegitimate or illegal intervention.

Support for the view that the Tanzanian action was illegal comes from virtually every instrument of international law since the Charter of the United Nations in 1945. Article 2(4) of the Charter is normally read as being a complete prohibition on the use of force except in the case of self-defence as provided in Article 51. However, in 1953, Oppenheim could still write

> There is general agreement that, by virtue of its personal and territorial supremacy, a State can treat its own nationals according to discretion. But there is a substantial body of opinion and of practice in support of the view that there are limits to that discretion and that when a State renders itself guilty of cruelties against and persecutions of its nationals, in such a way as to deny their fundamental human rights and to shock the conscience of mankind, *intervention in the interest of humanity is legally permissible.*[4]

That this is not the opinion of the international community today is seen in the enunciation of the principle of non-intervention in the 1965 General Assembly Declaration on the Inadmissibility of Intervention which states

> 1. No state has the right to intervene, directly or indirectly, *for any reason whatever*, in the internal or external affairs of any other state. Consequently, armed intervention and all other forms of interference

[1] L. Oppenheim, *International Law: A Treatise, Vol. 1—Peace* (London: Longmans, Green and Co. 1953), p. 272. Oppenheim was for a long time considered as the definitive text on international law and is still regarded as a leading authority.

[2] Cited in K. J. Holsti, *International Politics* (London: Prentice Hall International, 1974), p. 278. Holsti is a standard text for students in international relations.

[3] *ibid.*, p. 279. [4] Oppenheim, *op. cit.*, p. 279 (my emphasis).

> or attempted threats against the personality of the state or against its political, economic and cultural elements, are condemned.[5]

This Declaration was adopted by 109 votes to 0, with 1 abstention and thus fully reflected the current opinion of the international community as regards intervention. Since then, the General Assembly has adopted a further Declaration (in 1970) on Principles of International Law which reiterates the principle on non-intervention in the same terms and adds that armed intervention and all forms of interference 'are in violation of international law'.[6] Thus the actions of Julius Nyerere and his troops constitute clear violations of international law despite the fact that there is no suggestion that the Tanzanians intend to remain on the territory of Uganda indefinitely, that there is no evidence to suppose that Tanzania might annexe any of Uganda's territory, that the Tanzanians have not themselves assumed control of government and that the Ugandan population seems wholly enthusiastic and supportive of the Tanzanian 'liberators'.

Could Tanzania justify its actions in law on the grounds of self-defence, the inherent right of a state which is guaranteed by Article 51 of the United Nations Charter? States are entitled to defend themselves by use of force 'if an armed attack occurs'. Ugandan troops are known to have violated the territorial integrity of Tanzania on several occasions in a series of cross-border raids. In defending itself against these attacks Tanzania would be justified in law in using such force as was necessary to repel the invaders and proportionate to the force used by Uganda.[7] It would seem that cross-border raids would not justify overthrowing an incumbent regime and replacing it with one with closer ties to Tanzania.

The Tanzanian action could conceivably fall into the lawyers' category of intervention in civil war on behalf of native insurgents or belligerents. That there has been civil strife in Uganda over the past several years is undoubted and the reaction of the Amin regime had been swift and brutal. It is impossible to give accurate figures for the number of opponents wiped out in massacres, in secret executions and in campaigns of terror. Many hundreds of Ugandans were forced into exile and internal dissent was effectively repressed. It is difficult to argue, therefore, that Tanzania was, in fact, intervening in a civil war, as the possibility of civil war breaking out had been effectively negated by Amin. Even if there was

[5] General Assembly Resolution 2131 (XX) quoted in D. J. Harris, *Cases and Materials on International Law* (London: Sweet and Maxwell, 1979), p. 670 (my emphasis).

[6] D. J. Harris, *op. cit.*, p. 811.

[7] The definition of self-defence in international law arose out of the *Caroline* incident in 1837 during the Canadian Rebellion. British troops seized an American ship in retaliation for the activities of the ships' crew in attacking British vessels. The settlement which followed produced the definition of self-defence which is still quoted today. The necessity for self-defence must be 'instant, overwhelming, leaving no choice of means, and no moment for deliberation.' There must be 'nothing unreasonable or excessive; since the act, justified by the necessity of self-defence, must be limited by that necessity', *ibid.*, p. 677.

a civil war, the correct legal response by other states would have been to assume a neutral position—unless Tanzania wished to justify its actions on the grounds of counter-intervention, a concept which is of dubious validity anyway.

However, it is tempting to categorize the situation as one of domestic strife if not of civil war. There is no evidence to show that Tanzania has or had any aggressive intent against the Ugandan people; indeed, it is repeatedly pointed out by observers that the Tanzanian forces were welcomed as liberators by the Ugandan people. The troops did not assume responsibility for government and the possibility that Tanzania might gain territorially from the war is remote indeed. Was this, therefore, a 'war of national liberation'? Again the legal categories fail. In the past, the General Assembly has called on Member States to aid peoples fighting against their colonial rulers but never against their lawful authorities. In fact, the law rigidly supports the post-colonial status quo, emphatically denying to ethnic minority groups the right to secede from the main territory.

The activities of Tanzania are therefore totally unjustified in law. Thus the inevitable question arises as to why the international community has not protested against the invasion; indeed, the United Kingdom Government recognized the new Ugandan regime within one week of its taking office and before the Tanzanian troops had completed their military operations. The answer to the question must be that the international community accepts, at least tacitly, the legitimacy of the Tanzanian 'invasion'. Morally, politically, economically and strategically the Tanzanian action seemed the correct response to the situation within Uganda. What it has served to do also is to point to the distance between simplistic legal categorizations of the permissible and impermissible uses of force and complex political realities.

Such distancing leads to the inevitable question as to the relevance of the law in such complex situations. Is the law, as Holsti states, merely a *post hoc* legitimating factor? He writes

> Case-studies of recent conflicts between states reveal that governments use law essentially to further their objectives. In this sense, legal norms enter into decision-making less as criteria to determine what, substantively, governments should or should not do, than as sets of principles which can be put together into a case *to justify actions that have already been taken*. Legal norms thus become diplomatic capabilities, governments fabricate legal justifications for their decisions and actions in order to mobilize domestic and external support.[8]

If this is the case, and it will increasingly be the case as the law ceases to mirror reality, then international lawyers must rethink their role. The elaboration of international standards such as that of the principle of non-intervention in the UN Declarations mentioned above must be grounded

[8] Holsti, *op. cit.*, p. 415.

in a proper analysis of the political base of international society. As defined in the United Nations Declarations, the absolute prohibition of intervention is political and legal nonsense. In the hypothetical situation of a megalomaniac taking power and threatening to exterminate the citizens of his country by, say, the use of atomic weapons, what is to be the response of the international community? Similarly, where the Member States of the United Nations are aware that a government practises systematic abuses of every international standard of human rights, which was the case with Uganda, are countries to stand by and watch the extermination of entire religious or ethnic minorities? This makes nonsense not only of the principle of non-intervention but of all the principles of human rights and fundamental freedoms which are espoused by Member States of the United Nations.

It seems that international law has taken a step back from its position in the 1950s. Oppenheim would undoubtedly have classified the invasion of Uganda as 'intervention without a right' but which is '*nevertheless admitted by the Law of Nations, and* [*is*] *excused* in spite of the violation of the person of the respective states.'[9] In the absence of a common commitment to ensure the observance of fundamental human rights, and given the weakness of the United Nations machinery for enforcing even minimum standards of human rights, to take away from states the right of 'humanitarian intervention' is to give repressive regimes a free rein in the treatment of their own citizens. On the other hand, conceding such a right to intervention could be open to abuse: therefore the circumstances in which it could apply should be rigorously defined.

Finally, it should be noted that it is unlikely that any state will try to mobilize opposition to Tanzania on the grounds that Tanzania violated the territorial integrity of Uganda contrary to international law. In all likelihood, the legal question will be left aside in view of the overwhelming political and moral arguments in Tanzania's favour. It would, however, place Tanzania in an unimpeachable position were the law to allow for the existence of this type of use of force. If Tanzania was courageous enough to do what several other states would have wished to do and if it was acting as 'the international conscience' in replacing a regime which most governments believed to be abhorrent and whose domestic policies violated all the international legal standards relating to human rights and fundamental freedoms, then its actions should be supported explicitly by that international community and by its law. Otherwise Tanzania is seen to be 'getting away with' breaking the law rather than upholding respect for it. It seems paradoxical that violence can itself lead to greater international stability, but in the present case it looks as if Tanzania's action may help to bring greater stability to the African continent in the future. Lawyers must learn that this may be so and adjust their legal system accordingly.

[9] Oppenheim, *op. cit.*, p. 272.

PRINTED IN ENGLAND BY POPPER & COMPANY LTD WELWYN GARDEN CITY, HERTFORDSHIRE

ORBIS

A Journal of World Affairs

Volume 23 Spring 1979 Number 1

REFLECTIONS ON THE QUARTER

THE WORLD TODAY

Founded in 1945, THE WORLD TODAY is issued under the auspices of the Royal Institute of International Affairs and published monthly by the Oxford University Press.

ANNUAL SUBSCRIPTION (12 issues a year)
Including postage inland and overseas
UK £7
US $20 (by accelerated surface post)
Elsewhere £9
Single copies 70p ($2) post free

Orders may be sent to booksellers and newsagents or to the Oxford University Press, Press Road, Neasden, London, NW10 0DD Telephone 01-450 8080

The Royal Institute of International Affairs is precluded by the terms of its Royal Charter from expressing an opinion of its own on any aspect of international affairs. Any views expressed in this publication are, therefore, the responsibility of the contributors.

ISSN 0043–9134

THE WORLD TODAY

The Royal Institute of International Affairs

CONTENTS

EDITOR: LILIANA BRISBY

August 1979
Vol. 35. No. 8

Manuscripts and correspondence should be addressed to the Editor, *The World Today*, The Royal Institute of International Affairs, Chatham House, 10 St James's Square, London SW1Y 4LE.

Note of the month

UNCTAD V: PART OF A LONG HAUL

HEADLINES such as 'Unctad ends in complete deadlock' (*Guardian*, 4 June 1979), 'Dissatisfied with everybody' (*Economist*, 2–8 June 1979), 'Unctad fails to find common ground on most major issues' (*Financial Times*, 4 June 1979) hardly suggested that the fifth United Nations Conference on Trade and Development (Unctad V) was worth the effort and the expense. And there was certainly plenty of both. Held in Manila at the futuristic Philippine International Convention Center, completed in 1976 for around $150 m., some 5,000 delegates and officials from over 200 states and international organizations met from 7 May to 3 June this year at a cost said to be over $40 m.

One of the difficulties of putting such meetings in perspective is that not much is heard of Unctad except at these ministerial conferences. Too much is then expected and disappointment is inevitable. This used to be the case with the summit meetings of the super-powers, whereas now they tend to be lower-key and part of an on-going regular process. Perhaps it is time for a greater awareness that ministerial Unctad conferences are also part of a larger process.

Unctad, which was set up in 1964 and has its headquarters and secretariat in Geneva, has as its official aim to co-ordinate global trade and development under one UN body, but as its main motivation to improve the economic situation of developing countries. It has met at ministerial level four times prior to this year's conference—1964 in Geneva, 1968 in New Delhi, 1972 in Santiago, and 1976 in Nairobi—but the day-to-day activity takes place in Geneva. In addition to its Trade and Development Board's yearly meetings, there are permanent committees for specialist areas such as commodities, finance, shipping and the transfer of technology. Unctad also hosts an increasing number of technical conferences, e.g. on debt, individual commodity agreements and the Common Fund. Not the least valuable purpose of a ministerial meeting is to stimulate negotiations in these many, varied and complicated areas towards a series of realistic targets. No one doubts the difficulty or the extent of the task.

In order to make the discussions possible at all, the 159 members of Unctad are divided into Group B (the Western bloc), Group D (the Eastern bloc without Romania and China), the Group of '77' (the Third World plus Romania and Yugoslavia) and China, which acts as a group

on its own. This arrangement has given meetings a quasi-parliamentary character. In the secret negotiating groups at Unctad V, for instance, the B group always sat to the right of the Chairman, behind a 'Group B' sign; the Group of 77 (G 77) were in the middle (with the Chinese delegation identified somewhere in their midst), and the D Group sat to the Chairman's left.

The Group of 77, formed at Unctad I from the then 77 members of the Third World in the hope that unity could help force the developed world to give them a better deal, now has 119 members. Though often expected to split up because of the vast ideological and economic differences within its ranks, it has up to now shown surprising resilience. And it is around the demands of this group that Unctad ministerial conferences are organized.

After the 18th session of the Trade and Development Board in September 1978 had announced the provisional agenda for Unctad V, G 77 began to prepare its position. A preparatory committee was set up in Geneva, with representatives of the three regional groups within the '77' (the Latin Americans, the Africans and the Asians), who met throughout the latter part of 1978 and completed their recommendations by the end of the year. Based on this report, the three regional groupings then developed their own individual positions at ministerial meetings in Caracas, Addis Ababa and Colombo, before bringing these positions together at a G 77 ministerial meeting in Arusha (Tanzania) during February.

The Arusha document

The result was 'The Arusha Programme for Self-Reliance and Framework for Negotiations', a 127-page document setting out the G 77 position on a dozen items for discussion. Most of the demands had been heard before, but the appearance of 'self-reliance' in the title, supported by a well-received address by President Nyerere of Tanzania suggesting that the G 77 'should expand economic co-operation among ourselves', put more slant on self-help rather than being 'importunate supplicants'.

The Arusha document became the basis of the discussions in Manila to which the other groups had to respond. The different items were handled in eight negotiating groups, as follows:

(i) the structural changes needed in the world economy, and the ways in which Unctad could be strengthened.

(ii) a demand to abolish the protectionism of the industrialized countries.

(iii) a better deal for the developing countries' exports of commodities and manufactures.

(iv) more debt relief and untied grants for developing countries.

(v) a fairer share of the world's technology and shipping for the developing countries.
(vi) special treatment for the most affected countries.
(vii) an increase in the trade between developing and 'socialist' countries.
(viii) new ways to stimulate economic co-operation amongst developing countries.

Taken together, the demands represent what the '77' claim is necessary to create a 'New International Economic Order'. Each of these areas is enormously complex, so that in effect there was not just one conference in Manila, but eight conferences proceeding simultaneously. The co-ordination procedures necessary for all this activity and the large numbers of participants (up to 150 at any one meeting) meant that progress was inevitably slow. Furthermore, the first two weeks were largely spent listening to the 160 speakers setting the tone of the conference in the plenary session and in arranging the spokesmen for the negotiating groups. Work in these only became regular in the third week, leading to a hectic finale when various trade-offs were attempted in a 19-strong co-ordinating group. This was held under the chairmanship of the conference President—the remarkable 80-year-old Carlos P. Romulo, Foreign Affairs Minister of the Philippines. As an American general, he had waded ashore with Douglas MacArthur at Leyte Gulf, and as a Philippine diplomat he had not only helped to draw up and sign the UN Charter but also been the 4th President of the General Assembly. This prestigious background, coupled with his pithy remarks and sense of humour, made a great impact on the delegates and throughout the conference the mood was far from dismal.

A few minor agreements were reached on fairly abstruse topics, such as compensation to countries suffering a 'brain drain', and fairer play for developing countries over patents; several more countries signed the Code of Conduct for Liner Conferences. But most items were, in effect, referred back to the Trade and Development Board for further discussion. Apart from Unctad, the same type of questions are also being handled by the 'Committee of the Whole' at UN Headquarters in New York, and the General Assembly is due to hold a Special Session on Development next year. Thus, the possibility of further progress helped to set off some of the disappointment of the '77' with Manila.

Pointers at Manila

Perhaps the most positive aspect of an Unctad ministerial conference is that it gives an important indication of the direction of current thinking about global economic development. At Unctad V, too, there were a number of characteristic points to be noted.

First, there was the relatively small part played by the Common Fund, which had dominated events in 1976 at Nairobi and was expected to provoke renewed acrimony in Manila. But the recent agreement, though incomplete and far removed from the original Unctad scheme, has introduced a new mood. Although there was disappointment that none of the larger industrialized countries committed themselves to a fixed amount for the 'Second Window' of the Fund, there was a feeling amongst many developing countries that the important thing was to get the Fund off the ground—a 'foot in the door' approach.

Second, there was the extensive discussion of the question of protectionism. The developing countries wanted unfettered access for their manufactures into developed countries, and demanded an Unctad body to supervise that they had. Clearly the developed countries were not going to allow this, but most speakers in the plenary sessions, from the international organizations as well as from member states, cautioned against the dangers of growing protectionism, and a mild consensus resolution was possible calling for 'continued resistance to protectionist measures'.

Third, although the question was neither on the original agenda nor in the Arusha programme, the matter of oil prices was never very far from delegates' minds. Costa Rica, a country which was not even present in Arusha, tried to introduce a resolution complaining that many non-oil developing countries were severely hit by oil price rises. As the Opec oil-producers refused to agree that this was a topic for discussion at Unctad, it looked for a time as if the '77' might break apart. However, after a week of intensive discussions Costa Rica agreed to climb down, against a vague promise that oil prices would be discussed at some future date. Once again, the Group of 77 had shown its determination to remain together.

Fourth, the '77' seemed to be turning their attention more to what they can do to help themselves. Apart from Nyerere's call at Arusha, a committee of 21 has been set up to see how G-77 activities can be better co-ordinated at the various UN centres and, in a speech to the plenary, the 'founding father' of Unctad, 78-year-old Raoul Prebisch of Argentina, repeated his appeal for more South–South co-operation.

Fifth, there were several references in the local Manila press to the signing of trade agreements during the conference. It is obvious that many of the participating countries, particularly those from South-East Asia, were taking the opportunity of the presence of many of the world's trading and economic officials to establish a wide range of bilateral relationships. This may be one reason why some countries had such unwieldy lists of participants. (For instance, there were 94 delegates from Japan alone, including, for a time, the Japanese Prime Minister.)

Finally, the highly sophisticated co-ordination procedures which have

been developed to enable the different groups to negotiate looked very impressive; and the debates were surprisingly amicable, civilized and dignified. Any lack of progress was not due to the large numbers involved or the lack of organization.

It is easy to dismiss Unctad V as a waste of time and effort, as the results seem so minimal. But there is no alternative to this step-by-step approach to North–South relations, and the conference has to be seen in conjunction with the continuing work at regular Unctad meetings in Geneva and in other fora discussing development issues. At least there is, these days, a greater general awareness of development problems and of what needs to be done. No states can afford to opt out at a time of increasing economic interdependence and none do; the rich countries are affected by the world's economic vagaries and inequalities as well as the poor. As for the cost—well, $40 m. for Unctad V seems high. But does it when considered as less than one US cent per head of the world's population?

STEPHEN TAYLOR

SALT II and the strategic balance

LAWRENCE FREEDMAN

Despite the belief that the United States has come off worst in the negotiations, more significant concessions have been made by Moscow.

WHEN at last a second set of agreements emerged from the Strategic Arms Limitation Talks (SALT) for signature by Presidents Carter and Brezhnev at their summit in Vienna from 15 to 18 June, it was something of an anti-climax. The essentials had been decided in the autumn of 1977, when President Carter gave the first of many premature announcements of an impending accord.[1] The outlines of the proposed treaty were then steadily leaked with increasing detail despite the fact that it was still subject to negotiation. By the time of the announcement of the successful conclusion of the negotiations, there could be no surprises in the contents. The surprise was only that after six and a half years of talks, including one false 'breakthrough' at the Vladivostok summit of 1974 and

[1] Lawrence Freedman, 'Towards SALT II', *World Today*, November 1977.

Dr Freedman is Head of Policy Studies at the Royal Institute of International Affairs, and the author of *US Intelligence and the Soviet Strategic Threat* (London: Macmillan, 1977).

eighteen months in pursuit of a real breakthrough, agreement had actually been reached.

A reading of the text[2] does indicate why the treaty's completion took so long. The care with which it has been put together is impressive, reflecting the legal background of the man who was until the end of 1978 the head of the US negotiating team, Paul Warnke. SALT I had been criticized for sloppy drafting which created loopholes explored if not always fully exploited by the Soviet Union: Warnke was anxious that there could be no similar grounds for complaint with SALT II. Furthermore, the critics, reacting to the early leaks of the treaty, gave the Administration notice of their objections and advantage appears to have been taken of this advance warning to tighten up some of the more vulnerable treaty passages. In fact, so tight is the language in places that it merely highlights relative looseness elsewhere. For example, missiles are carefully defined but launchers, which is what much of the treaty controls, are not. Also, it may well be that the delays caused by this meticulous drafting will hinder the Administration in its coming battle with Congress, as the opposition has been allowed time to gather strength.

But rather than speculate on the outcome of the politically fascinating ratification process in the Senate or comment on the arguments being deployed by the protagonists,[3] this article seeks to examine the text of the treaty in order to assess how successful each side was in achieving its narrow negotiating objectives. There are proper objections to such an evaluation, on the grounds that the aim of arms control is to consolidate areas where interests are shared between the super-powers, rather than resolve conflicts and is thus, to use the jargon, a non-zero sum game. In addition, arms control theory requires us to consider the enhancement of 'crisis stability' or the attainment of a politically significant parity. Nevertheless, it is evident that much of the practical business of arms control is a struggle for comparative military advantage. It is also argued, mainly by the American critics of strategic arms limitation talks, that in this the Russians invariably come off better. What it is hoped to demonstrate is not only that the struggle is largely futile, but that, if anything, the Americans have come out of it slightly better than the Russians.

Narrow objectives often do involve a zero-sum game, in which gains for one are virtually equivalent to losses for the other. They are defensive, in that they aim to protect favoured programmes from constraint, and offensive, in that they aim to impose constraints on the most threatening programmes of the other side. Thus, the American objectives have been

[2] *Treaty between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Strategic Offensive Arms (together with the Protocol to the Treaty and other relevant documents)*, Official Text, International Communication Agency.

[3] Background to this debate can be found in Godfrey Hodgson, *Congress and American Foreign Policy* (London: RIIA, 1979)

to put severe limits on the Soviet Intercontinental Ballistic Missile (ICBM) force, particularly the portion carrying multiple, accurate warheads (MIRVs); to maintain the option to move to a new mobile ICBM(M-X) ensuring that some of the US ICBM force remains invulnerable to surprise attack; to establish controls on the Soviet *Backfire* bomber; to permit the development and deployment of a full range of cruise missiles; and generally to avoid making concessions affecting systems based in the European theatre.[4] Soviet objectives can be said to be the opposite.

The current balance

To appreciate these objectives we can compare the nuclear forces of the two super-powers (as they are now and would be without SALT). One valuable feature of SALT is that the Soviet Union has provided its own figures (which fortunately tally with those of US intelligence) on the number of strategic arms launchers in its possession. These figures show that it now has more ICBMs than the United States (1,398 as against 1,054) and more which can carry MIRVs (608 as against 550).[5] While the accuracy of the US warheads remains greater than those of the Soviet Union, this gap has been narrowed and is more than compensated for by the Soviet advantages in size—the average Soviet ICBM carries far more warheads of larger yield than the average American ICBM. The Americans are upgrading the warheads of their ICBMs, but the next generation (known for the moment as M-X) will not start to become available until 1986 at the earliest. Meanwhile, the Soviet programme of ICBM modernization still has considerable momentum behind it. By about 1982 it is expected that, by using only about a quarter of its total ICBMs in a surprise attack, the Soviet Union would be able to destroy all but a few of the American ICBMs, plus all Submarine Launched Ballistic Missiles (SLBMs) at port and heavy bombers that have been unable to fly from their bases. In addition, there have been reports of a number of follow-on Soviet ICBMs still under development.

The figures on SLBMs show the Soviet Union ahead on overall numbers (950 as against 656) but still, in this category, well behind the US on MIRVed SLBMs (144 as against 496). The warhead package carried in US SLBMs is also much more sophisticated. However, the major US

[4] The Soviet Union has attempted consistently to include the US systems based in Europe that can attack the Soviet homeland (such as FB-111 aircraft) and the British and French nuclear forces. Nato has resolutely opposed this, but this view may be changing as the alliance becomes interested in the possibility of restricting Soviet long-range nuclear forces directed at Western Europe (such as the SS-20 ballistic missile).

[5] It should be noted that the actual number of MIRVed ICBMs may be less than this because under SALT II all Soviet ICBMs capable of carrying MIRVs are to be counted as if they are doing so, despite the fact that many have been deployed using only single warheads.

advantages lie with the submarines themselves, with boats of a more advanced design and so less noisy and, in consequence, less vulnerable to anti-submarine warfare techniques (in which the United States is also well ahead). In addition, the Soviet boats have fewer ports, none of which are particularly easy to leave, because of weather conditions or the boats' conspicuity to Nato's anti-submarine patrols. Reports suggest that only about one-fifth or less of these boats are on station at any one time, which means that those stuck in port are extremely vulnerable to an American surprise attack. (The Americans keep about half of their boats on station.) Finally, while the Russians have been investing funds in an effort to improve their capabilities, this is an area where the Americans are engaged in an active (and extremely expensive) modernization programme. The new *Trident* 1 SLBM is now being delivered to the US Navy and next year the first of the *Trident* submarines will become available. By the late 1980s another new SLBM should be fully developed and ready for production.

On the figures for heavy bombers, the US is shown up as being well ahead (573 as against 156). However, 224 of the US B-52 bombers are in storage and a certain discount should be made to take account of the fact that US bombers have to penetrate significant air defences while Soviet bombers face no such obstacles. Nevertheless, this is still an area of major US advantage. The heavy bombers owned by both sides are based on 1950s models and so are tending towards obsolescence. There has been an argument in the US over whether the Soviet *Backfire* bomber has any intercontinental role. As this would be an extremely difficult and inefficient way of using this aircraft, it can be assumed that it is only designed for operation in the European theatre.[6] There have been, as yet unconfirmed, reports of three new Soviet long-range bombers in development.[7] The United States has developed one new bomber, the B-1, but has decided against putting it into production, preferring to extend the active life of the B-52, by converting it to carry air-launched cruise missiles (ALCMs).

To sum up so far, it can be seen that US strategic assets are more evenly spread among ICBMs, SLBMs and bombers than those of the USSR, which has a force structure dominated by ICBMs. To illustrate this, we can compare equivalent megatonnage (EMT), a measure of the capacity to destroy 'soft' targets such as cities. The ICBM force provides less than 25 per cent of total US EMT, but 75 per cent of Soviet EMT. The other point is that, independently of the strategic arms limitation

[6] In SALT the USSR has disclosed its own designations for its weapons. These are not of great interest with ICBMs, where they only show that the Soviet designations do not match the Nato designations (RS-18 for SS-19 and RS-20 for SS-18). However, the designation for *Backfire* is TU-22M, confirming that it is a derivative of the medium-range *Blinder* bomber (TU-22) intended for maritime purposes (M).

[7] *Aviation Week and Space Technology*, 19 February 1979 and 2 July 1979.

talks, the balance will be seen (in terms of number of warheads and vulnerability of hard targets, such as ICBMs, to surprise attack) to be shifting towards the Soviet Union during the first half of the 1980s and then can be expected to shift back towards the US during the second half. During none of these shifts will either side come at all close to denying the other the ability to retaliate in a devastating fashion even after a surprise first strike.

The Impact of SALT II

The SALT II package consists of a Treaty which will be in force until 31 December 1985; a short Protocol which will be in force until 31 December 1981; and a Declaration of Principles to govern the next round of negotiations.[8] The impact of the provisions of SALT II can best be understood by looking at:

(*a*) weapons that are not now and never will be particularly important;

(*b*) weapons that are now and will continue to be important;

(*c*) weapons that are not yet but are likely to become important.

The treaty mentions a number of weapons that come into the first category: ballistic missiles to be carried by ships; ballistic or cruise missiles placed or carried on the ocean floor or seabed; weapons to be placed in earth orbit. All these are not to be developed, tested or deployed (Article IX). The Soviet Union is required to dismantle 12 of its fractional orbital missiles and convert the other six to ICBM launchers (Article VII). These missiles were developed as a means of beating missile defences by going into a partial earth orbit so as to attack the United States from the opposite direction to normal ballistic missiles. Some objections about them were raised in the United States over a decade ago, but this never looked a promising technology, and as both sides agreed under SALT I not to deploy extensive missile defences, it is quite redundant. A considerable amount of text is devoted to Air-to-Surface Ballistic Missiles (ASBM) which are subjected to similar restrictions as ICBMs and SLBMs. The US has considered ASBMs as one form of mobile missile and in 1974 a *Minuteman* ICBM was dropped from a transport aircraft to see if this method was feasible for the future. The idea has now been virtually abandoned, mainly because of factors of expense and command and control. All this and the other measures do is broadly to define the parameters within which the arms competition will carry on in the future, by excluding certain systems.

The second category of provision concerns weapons of current and

[8] When (and if) SALT II is ratified, the protocol will have no more than two years to run and the treaty no more than six years. The fact that the treaty will be in force for a shorter period than it has taken to negotiate is one of its less satisfactory features.

continuing importance. The treaty imposes a number of ceilings—2,250 for all ICBMs, SLBMs and heavy bombers; 1,320 for MIRVed missiles and bombers carrying ALCMs; 1,200 for MIRVed missiles and 820 for MIRVed ICBMs (Articles III and V). Once the US has destroyed the 224 B-52s which are at present in mothballs it will be well under these limits. The credit of 120 bombers with ALCMs allows less than the full deployment originally intended, but this will still amount to over 2,400 individual missiles—against which the Soviet Union has no equivalent system (for the moment). The Soviet Union will have to dismantle 254 older systems to get its overall numbers down to 2,250. Although a ceiling is placed on its MIRVed ICBMs, with an effective sub-ceiling on the heaviest ICBMs at 308 (because of the modernization provisions), this will have no drastic consequences for the Soviet forces. *Backfire* was not mentioned in the Treaty, but President Brezhnev did hand President Carter a letter which confirmed that this aircraft would only operate at medium-range (a matter of no comfort to Europeans) and would not be produced at a rate of more than 30 per year.[9] Again, the major result of all these limitations is to define the parameters within which the arms competition takes place, this time by setting reasonably permissive ceilings.

The most interesting questions in SALT II refer to inhibitions on future qualitative changes. There are two types of inhibitions—on the improvement of existing systems and the introduction of new systems. They touch upon new ICBMs, whether or not these ICBMs can be mobile, and ground- and sea-launched cruise missiles (GLCMs and SLCMs).

On ICBMs, Article IV allows the testing and deployment of only one new type of light ICBM. A new ICBM is considered to be one that is different, by an amount in excess of 5 per cent, in any one of the following respects:

(*a*) the number of stages, the length, the largest diameter, the launch-weight, or the throw-weight, of the missile;

(*b*) the type of propellant (that is, liquid or solid) of any of its stages.

Furthermore, the basic feature of the new missile must be settled by not later than its 12th test flight, with the final version ready by the 25th test. It must not have more re-entry vehicles than the maximum already

[9] It is not clear why the Americans used up so much negotiating capital on this marginal issue, or why the Russians were so resistant to it being included in the Treaty. Domestic politics provides the best answer to the first question. The answer to the second may be either an unwillingness to concede that the *Backfire* was at all relevant to SALT or concern over production rates becoming mentioned in the Treaty. The Soviet side, apparently, was alarmed both at how much the Americans already knew about production and how much more they might be expected to help the Americans discover, if *Backfire* production was made subject to stringent verification procedures.

deployed on any ICBM (10) and it must fit into an ICBM launcher that is no more than 32 per cent larger in volume than those currently in use.

How significant will these restrictions be? Restricting the number of re-entry vehicles (RVs) on existing ICBMs to the maximum with which they have already been tested, may have kept the heavy SS-18 to 10 RVs, so forestalling a possible version with 14. Some critics of SALT II claim that the other modernization provisions are insufficiently tight, that major improvements could be introduced by variations in propellants that would involve no changes in visible dimensions, that the 5 per cent limit, while valuable, is well within the margin of error in verification and that, anyway, the really important innovations come in guidance mechanisms which are untouched by the treaty.

Of these points only the last is really serious, reminding us of the limits of these measures. Nevertheless, there are grounds for believing that the provision allowing only one new light ICBM will cause Soviet planners some difficulties. The procedure for introducing the new ICBM—settling the basic characteristics prior to testing, and sorting out the final characteristics, after no more than 25 test flights, prior to deployment—suits the Americans, as it conforms with their normal practice, rather than the Russians. In the past, the Soviet Union has undertaken competitive development programmes (SS-7/SS-8; SS-11/SS-13; SS-16/SS-17/SS-19) with the competition not being decided until well into the testing stage and even after early deployment. Once deployed, missiles are often subject to major modifications. Thus, though this measure does not stop the qualitative arms race, it does force the Soviet Union to make an early and definitive choice between the four new ICBMs it is currently developing and disrupts its preferred method of force improvement.

The United States has indicated that its own new light ICBM will be deployed in a mobile mode rather than a fixed silo. In the Protocol to SALT II, both parties undertake 'not to deploy mobile ICBM launchers or to flight-test ICBMs from such launchers'. Critics in the US complain that if the Protocol is extended beyond December 1981 this measure will prevent the US taking the necessary steps, via mobility, to protect a significant section of its ICBM force from surprise attack. However, there is nothing inevitable about this; it is a matter for SALT III. Furthermore, in an agreed statement attached to Article II of the Treaty there is acknowledgment that mobile ICBM launchers may be introduced before the expiry of the Treaty (although in fact the relevant US system is unlikely to be ready even by this date). On the other hand, the Soviet Union has already developed and tested, but not deployed a missile—the SS-16—capable of mobility. Deployment of the SS-16 is expressly prohibited in the Treaty.[10]

[10] The reason for this is that the SS-16 is the intermediate range SS-20 with an extra stage. By producing large numbers of third stages the growing numbers

Most American concern has surrounded ground- and sea-launched cruise missiles of ranges above 600 kilometres, deployment of which is also prohibited by the protocol. These are considered to be attractive options for the planned modernization of Nato's long-range nuclear forces based in Europe. So great has been the desire of the allies of the United States to keep this option that it has found it necessary to promise in a variety of Nato gatherings that these cruise missiles will be produced as soon as possible (around 1983) if necessary.

Air-launched cruise missiles can be deployed on up to 120 heavy bombers, or more if the United States is prepared to forgo some MIRVed missiles. One interesting feature of this provision is that whereas any ICBM of a type tested with MIRVs is considered to be MIRVed, all B-52 bombers will not be considered to be carrying ALCMs. The Americans are saved here by the curious innovation of FRODs or 'functionally relevant observable differences'. These are differences, verifiable by national technical means, in the observable features of aircraft which indicate, among other things, 'whether or not they can perform the mission of a bomber equipped for cruise missiles capable of a range in excess of 600 kilometres'. As no suitable FRODs could be found to distinguish MIRVed from non-MIRVed ICBMs, the total of the USSR in this area will be inflated without it gaining the practical military benefit while none of the US totals will be so inflated.

Conclusion

This article has examined SALT II from the narrowest angle—the self-interest of the military establishments of both sides. From this test it becomes clear that, while it is true that the strategic balance will tilt against the United States during the course of SALT II, this is not because of the agreement (and one might add it is not a very serious tilt). There appear to be no US programmes currently planned that need be inhibited by SALT. The main argument of the US critics is that SALT II enshrines US inferiority in a number of areas (such as heavy ICBMs) and creates a dynamic which may interfere with future programmes (by means of the precedents set by the Protocol for SALT III). However, not only is this not inevitable, but the ferocity of the ratification debate in the US Senate means also that firm commitments to press ahead regardless with the relevant programmes are being extracted from the Administration.

The debate in the Supreme Soviet, if one takes place at all, will not be as fierce. Brezhnev will offer the Treaty as a contribution to détente and a confirmation of the super-power status of the Soviet Union. Yet, it

---

of SS-20s could be turned into an ICBM force virtually overnight. This measure ensures that SS-20s remain pointed only at Western Europe and China. As with the *Backfire* restrictions, this is hardly comforting to Europeans.

could be argued, a hawkish Soviet critic of SALT would have far more to grumble about than his counterpart in the US. The major constraints on our force development, he might complain, are in force until 1986 while the controls on those American systems that worry us are only in force until 1982. These make no difference to actual US plans, and after 1982 the Americans have made it clear that they intend to abandon these controls entirely. Continuing his peroration, our Soviet critic could argue thus: 'We have got to cut our force levels while they can, if they wish, raise their levels. We are not allowed to go ahead with one system (the SS-16) on which many roubles have been spent in development, and will have to decide amongst current ICBM development programmes before we are properly prepared to make the choice. We have been forced to open up our military capabilities for easier observation by US spy satellites and radars. Restrictions have had to be accepted on the *Backfire*, which has nothing to do with strategic arms limitation, while no restrictions have been accepted on American Forward Based Systems. In all, we will be doing less than we would have been doing without SALT II, while it makes absolutely no difference to the Americans.'

In practice, neither the Soviet nor the American critics need be so alarmed, because SALT II does not have major consequences for the force structures of either side; it only contains the arms competition within roomy walls and ceilings. The bargaining process reveals, unsurprisingly, that defensive objects are the easiest to achieve—both sides succeeded in protecting their most favoured programmes. The real effects of SALT II lie in the political sphere—whether or not there is going to be extra tension in East-West relations. The nature of these effects largely depends on the final decision taken by the US Senate later this year on ratification of the Treaty.[11]

[11] An article on the Senate debate and its outcome will be published in a forthcoming issue of *The World Today*.

The Rhodesian elections: a basis for the future

MILES HUDSON

THE recent history of Rhodesia is littered with mistakes and missed opportunities. From the lunacy of UDI and the failure to take the offers on *Tiger* and *Fearless* to the Smith Government's misjudgement of the likely black reaction to the agreement of 1971—the path to political and economic progress has been strewn with unnecessary man-made boulders. Now the whole world is involved. Rhodesia has become the touchstone of political virility, whether of the Right or Left. In a number of countries domestic quid pro quos mask reality. The truth becomes ever more obscure among the big and small power rivalries, the 'wider perspectives' and the struggle for power, personal and national, within Africa. Zimbabwe Rhodesia itself is apt to be forgotten. Of course, all sides pay lip service to the situation there, but objectivity is almost impossible as prejudice and traditional political attitudes cloud the minds of participants in the debate. 'Majority rule', for instance, is a misleading term. In how many countries in Africa is there rule by the majority? How many African leaders have been elected by 'free and fair' elections in which any party can stand and campaign? One only has to ask these questions to perceive immediately that 'majority rule' means black rule and therefore has racist undertones. In the context of Africa, and perhaps particularly in Rhodesia, this is inevitable. But let us not be hypocritical about it.

With the exception of South Africa, Rhodesia has been unique among British African colonies in the number of whites who live there, some of them now for five generations. It was, also uniquely, self-governing. These two facts set it apart and explain the difficulties we have had in granting it independence. In a continent rife with strident nationalism, suspicions of British intentions, although totally without foundation, are also inevitable. They explain in part the opposition to every move Britain has made, however well meaning. There are other causes for the obsession with Rhodesia which seems to affect all public attitudes in Africa. These include the East–West struggle, the provision of a ready scapegoat for failure, fear of appearing to be soft in the OAU and so on.

The author was Political Secretary to the then Foreign Secretary, Sir Alec Douglas-Home, from 1971 to 1974. He was a member of Lord Boyd of Merton's team sent by Mrs Thatcher to observe the Rhodesian elections last April, but this article is written in a private capacity.

In all this complexity we should return to the reality in Zimbabwe Rhodesia itself, decide what the truth is and take the action which flows from this—come what may. We are told on all sides that Rhodesia is a British responsibility. So be it.

Rhodesia is a moral question. Previously the moral argument has been against granting independence. There was racial discrimination, enshrined in law, and the whites had not made an irrevocable decision to hand over power to the blacks. That situation has now totally changed. All racial laws have been repealed and the whites have handed over real power to the blacks. The recent elections were the definitive act in this, perhaps surprising, development. The moral argument is now, therefore, reversed. Expediency may argue against granting independence and all that flows from that act, but the moral argument for doing so is overwhelming.

It might be useful at this point to repeat our conclusions after our visit to Rhodesia. They were as follows:

> In our view the elections were 'fair' in the sense that the electoral machinery was fairly conducted and was above serious reproach. In arriving at this conclusion we have applied the strictest Western European criteria.
>
> The question whether the election was 'free' is more complex. There is no doubt that the people who actually voted were free to choose which party they wished to support. It is true that in conditions of war, and with the other pressures which we have described, it would have been impossible to hold a fully free election in the sense that everyone qualified to vote could either do so or abstain precisely as he or she wished. However, in our opinion, neither individually nor in conjunction did these pressures amount to such curtailment of freedom or imposition of direction as to invalidate the election. On the contrary the people expressed their own view, in numbers which demonstrate a significant judgement on the constitutional basis of the election itself. They also exercised their right clearly to choose the party which they wished to lead the next Government.
>
> Finally we note that neither Patriotic Front party proffered candidates for election. Despite this we think that the result represented the wish of the majority of the electorate of the country, however calculated.[1]

It will be remembered that we were sent out by Mrs Thatcher when she was Leader of the Opposition. By the time our report was submitted she was Prime Minister. Three of us spent 16 days in the country, the

[1] *Report to the Prime Minister on the election held in Zimbabwe Rhodesia in April 1979*, mimeographed, May 1979, paragraph 132, (*b*), (*c*) and (*d*).

other two being there for nine days. We all covered the election itself and, having refused to accept the itinerary prepared for us, we went where we wished covering 66 polling stations all over the country. The vast majority of the observers and press present thought that the elections were 'free and fair'. Neither the Labour nor the Liberal parties in Britain sent observers, although Lord Chitnis, who did go and submitted a report, is a Liberal.

In all the welter of criticism of the Rhodesian elections and the circumstances surrounding them it is difficult to know where to start. But let us begin with racial discrimination. The most authoritative statement on this came from Mr Vance in his statement to Congress on Tuesday, 12 June. He said, 'The Constitution does contain prohibitions against racial discrimination in the content or the execution of laws. However, it exempts from the discrimination ban such areas as family law, entry into employment, the appropriation of public funds, and important aspects of criminal proceedings. As a result the Rhodesian Constitution legalizes the treatment of black citizens as second class citizens.'

The facts are very different. The exceptions are designed to protect African customs, not to give Europeans a higher status. Even a cursory reading of section 131 (3) of the Constitution makes this clear. It would be folly to force the Africans to adopt the same family law as the Europeans or vice versa. As regards entry into employment, the restrictions can only be applied to persons who are not citizens of, or permitted residents in, Zimbabwe Rhodesia. They are designed to allow the government of the day to regulate immigration. As far as the appropriation of public funds is concerned, the government of the day, with a black majority, regulates appropriations through the black majority Parliament. As for criminal proceedings, presumably Mr Vance's remark applies to the institution of Tribal Courts in Tribal Trust Lands. If these are to be continued—and what is racially discriminatory about this?—some such exception was inevitable. In any case, the restriction is permissive, not mandatory. It allows Parliament to make laws in those areas which the Declaration of Rights would forbid. It does not force Parliament to do so and it is inconceivable that a predominantly black Parliament would discriminate against blacks. As for the arguments about discrimination against blacks in education and housing, these are nonsense. Of course, the whites are richer now and can afford houses and schools in richer areas, but this applies to all rich people everywhere—even in the Soviet Union. There is no legislation which demands segregation between black and white.

Then there is the whole question of continuing white power. All critics have made the point that the whites will continue to hold the leading positions in the security forces, the armed services and the police. They go on to say that the whites will therefore 'control' the apparatus of power.

The Constitution does not mention the word 'race' in this context, but it is true that because (quite wrongly in my view) the blacks have not, until very recently, been able to reach high positions in those areas there are none with the necessary qualifications to reach the senior positions as yet. The choice is therefore between vastly accelerated promotion on grounds of race and gradual change based on merit, although there will undoubtedly be a measure of black acceleration. That is the situation for better or worse. In practical terms promotion straight to the top on grounds of race would be a disaster. For instance, how could a Lieutenant promoted to General possibly direct the war against the guerrillas? In all colonial cases elsewhere where Britain had not only responsibility but also power—always lacking in Rhodesia—we trained the Africans for the highly responsible jobs they would hold after independence. In many cases they were actually holding these positions prior to independence. There is little doubt that if Africans were put straight into the leading posts in the Administration now, there would be a considerable degree of chaos. A high proportion of whites would certainly leave the country, which is not desired by anybody—not even Mr Nkomo.

In any case, it is quite wrong to argue that the whites 'control' the Administration. The armed services, the civil service and the police will carry out the policies of their black ministers and Cabinet. Section 103 (3) of the Constitution, for instance, states—'The Prime Minister may give to a Commander referred to in Sub-section (1) such general directions of policy with respect to the defence of Zimbabwe Rhodesia as he may consider necessary and that Commander shall comply with such directions or cause them to be complied with.'

Then, there is the whole question of the 28 seats allocated to the whites in Parliament. The point here is that they give the whites a blocking mechanism against retrogressive amendments to the Constitution. For years the argument was that the blacks, who would not have a majority in Parliament, should have such a blocking mechanism. Indeed the talks on H.M.S. *Fearless* broke down on this precise point. Now that the blacks have the power, it is important that the whites should have such protection and this is given them in this way. The 28 seats give a negative, not a positive, power. They do not enable the whites to do anything at all: they do prevent the blacks from harming their essential interests by amending the Constitution so as to discriminate against them. As for the white seats in the Cabinet, again the point has been misunderstood by the critics. The Constitution embodies a unique experiment here. It enforces a coalition after an election. Apart from making sure that white experience and a white voice are available after the election—although the whites most certainly do not hold the power (5 out of 19 seats in the Cabinet)—it also provides a basis for a Ndebele presence. The dangers of tribal warfare and bitterness are very real. At least by this device the Ndebele,

who with only 17 per cent of the population would have no hope of forming a majority government, can be represented at top level. It is an ambitious experiment and may not work, but it is not a device to perpetuate white power.

At the time of writing this article, it seems that Bishop Muzorewa is having difficulties within his own party. This may well be seized on as evidence of the fragility of the Government resulting from the elections and of the failure of the Constitution to bring about stability. All this may be true and it is of course possible that the whole apparatus of Government as now constituted may break down. But failure, if it happens, and heaven help Zimbabwe Rhodesia if this occurs, will come about not because the country is not democratic enough, but because it is too democratic. It will happen because the Africans in Zimbabwe Rhodesia are not mature enough in political terms to accept the results of the ballot box, to submerge tribal rivalries for the greater good of the whole and to curb personal ambitions. This has been the case in many other African countries. Perhaps democracy is not suitable for Africa. But we have set ourselves up as judges, using democracy as the criterion. It is not for us to criticize a Constitution as not being democratic enough, when the difficulties which arise stem from the fact that it is too democratic.

The next point of criticism relates to the fact that the Constitution was not submitted to a black referendum, whereas it was to the whites. To take the latter point first, it was essential to tie the whites irrevocably to the transfer of power, before the whole operation could be started. A voluntary relinquishment of power is difficult enough to engineer anyway: it was vital that there was no doubt that the whites had accepted this and were seen to do so. As far as the black referendum was concerned, this device was not adopted by Britain in any of its former colonies, and there is no mention of a referendum in the Anglo-American Plan which the opponents of the present Constitution often cite as gospel.[2] In any case, those who put forward the referendum argument can have little conception of the effort which the election demanded at all levels and in all aspects of Rhodesian life. Mounting the election and protecting the voters from the guerrillas was a vast undertaking for a comparatively small country. To do so twice would have been a virtual impossibility. Furthermore, and most important, the Constitution was negotiated on and agreed to by the whites *and* three of the four African political parties standing in the election, parties which, between them, obtained more than half of the votes of not only those voting but also the whole electorate. There were, of course, compromises on both sides and in practice amendments will be made. But to say, as did President Carter in his statement on 7 June, that the 'Constitution . . . was drafted by . . . only . . . white

[2] See Elaine Windrich, 'The Anglo-American initiative on Rhodesia: an interim assessment', *The World Today*, July 1979.

Rhodesians' is simply not in accordance with the facts. It is true that neither Mr Nkomo nor Mr Mugabe took part in the discussions leading to the acceptance of the Constitution. But that was by their own choice. To repeat—the parties which agreed the Constitution were supported by a majority of the electorate.

'Ah!' the critics say, 'but no party opposing the Constitution was allowed to stand. There was a "Yes" campaign but not a "No" campaign.' One should perhaps leave aside the point that the critics are wrong when they argue that all parties standing in the elections had first to embrace the Constitution. There is nothing about this in the Electoral Act 1979 and indeed Chief Nidweni's party actually campaigned for a Federal Constitution. The fact is that there was a 'No' campaign waged by the gun. The Patriotic Front thought that they would win by force of arms. To many people's surprise, they lost. Can it seriously be supposed that any administration could allow the political wings of parties to take part in an election at the same time as their military wings were [illegible] fighting (13,000 strong) within the country?

'Well,' the critics argue, 'that just shows that it is impossible to hold an election at all in time of war'. But to take this view is to accept the gun rather than the ballot box as the arbiter of power, a situation which, of course, exists in much of Africa, but surely not one to which we should subscribe. In any case, it was clear to me that the extraordinary [illegible] saw during the election of long queues of happy voters did indeed represent more than just a choice of party: the election did embody a collective act of will of a people who wished their country to go forward on the basis of the arrangements made and who were actively opposing the Patriotic Front by their votes.

All the arguments about people being forced to the polls by the security forces, employers and the Security Force Auxiliaries have been vastly overstated. We did not give a totally clean bill of health to the election in this matter. We said that there were undoubtedly incidents of pressure by employers and the Security Force Auxiliaries. We also said that the Administration over-stepped the mark in some of its propaganda. But we were not examining an election in Western Europe. We were trying to find the truth in a highly complex situation in most unusual circumstances where over a million Africans were voting, for the first time in their lives, against a background of very considerable physical violence being used or threatened against them in order to stop them from voting. Of course, transport had to be provided for many people and they had to be guarded against attack. Of course, farms had to stop work when mobile polling stations visited them. Many of the criticisms showed a complete misunderstanding of the situation which is not surprising since most of the critics were not present. It was perfectly possible for the people to abstain and many did so. The idea that all those people, or indeed any sizeable

proportion of them, were voting at gun-point simply was not possible to believe. The voters were not sullen and apathetic, in town or countryside. They were, on the whole, eager and active. In any case, they could have spoilt their ballot papers had they wished, and many people did. The fact that the percentage of spoilt papers in parts of the country sympathetic to Mr Nkomo was high shows that even 'ignorant tribesmen' did understand perfectly well what their opportunities were.

The size of the poll was a matter of high interest both within Rhodesia and outside it. Before the election, Lord Hatch, in both the *Daily Telegraph* and the House of Lords, tried to show that the Administration had fixed the total population at an artificially low figure, thereby ensuring a higher percentage poll than would otherwise be the case. In the event, the poll was so high that it mattered little whether the Administration's or Lord Hatch's figures were right. But everyone, including the Patriotic Front, cited by Lord Chitnis in his report[3] (page 44), agreed that the election would be seen as an endorsement of the settlement proposals. The issue was clear cut. The Patriotic Front wished to discredit the election by bringing about a low poll. The Administration and the parties taking part in the election tried to bring about the opposite. Had the poll been low, there can be no doubt that everyone would have said that the Constitution was not acceptable to the people. The Patriotic Front lost: the poll was high and the critics, therefore, try to change the argument.

As far as the actual conduct of the electoral process itself was concerned, on the whole criticism has been muted. Lord Chitnis said that this was not his main worry.[4] Professor Claire Palley in her pamphlet about the elections[5] shows a startling ignorance of the electoral process on page 20 where she apparently does not realize that there was no postal vote, nor could there be in the absence of an electoral roll. Neither (page 29) does she realize that people voted in precisely the same way in this proportional representation election as they would have done in a first-past-the-post election. But her main criticisms relate to the conduct of the campaign before the election. Much of what she says is based on newspaper cuttings. It is true that we were only in the country for two days before the election started, but we did interview a very wide range of opinion on this matter, including all the political parties, and our conclusions were that 'We do not consider that the parties provided the electorate with any more than the normal political pressures'.

As far as the lack of an electoral roll was concerned, we felt that this had advantages and disadvantages which we summarized. The overwhelming advantage was that, if the election had been conducted on a

[3] *Free and Fair? The 1979 Rhodesian election* (House of Commons: Parliamentary Human Rights Group, May 1979).

[4] House of Lords Deb., Hansard, col. 293.

[5] *The Rhodesian election* (London: the Catholic Institute for International Relations, April 1979).

constituency basis with an electoral roll, the many thousands of people who had moved—and there had been great shifts of population due to the war and other causes—would have been disenfranchized. There would certainly have been a volcano of criticism if this had been the case. As far as the alien workers who were able to vote were concerned, again Professor Palley implies (page 12) that many voted because they were afraid that if they did not they would lose their jobs and be expelled from the country. The only evidence she produces is one remark by a European farmer (hearsay of hearsay) about some of his neighbours' willingness to threaten their employees with dismissal and a report by one African barrister, a ZAPU supporter. We certainly neither heard nor saw anything to bear out these allegations. There can be no substitute for first-hand evidence.

To summarize: racial discrimination by law has been abolished; real power has been handed over to a Parliament and Cabinet with a black majority in each case and a black Prime Minister; the Constitution, which was a compromise designed to satisfy black aspirations while giving a measure of protection to the whites so that most of them would remain in the country and continue to help with development and economic progress, was agreed to by parties which between them obtained the votes of more than half the electorate; the Patriotic Front, which refused to take part in the whole process, has been rejected; and the elections were fair and as free as possible in time of war.

The settlement may work; for a variety of reasons, none of which has anything to do with a lack of democracy, it may fail. But this is not our business. The people of Zimbabwe Rhodesia have spoken in clear terms. At last there is a chance for real progress in that country. We should show our support for what has been achieved. We should grant independence and drop sanctions. By doing so we may well have an effect on the guerrillas who will continue to fight as long as the present Government in Zimbabwe Rhodesia is isolated. We should be guided, not by expediency, but by our moral responsibilities.

Europe's Airbus programme and the impact of British participation

HANNS H. SCHUMACHER

THERE is a growing worldwide market for civil airliners in which the developing countries will not be in a position to compete in the foreseeable future. The characteristics of the aircraft industry—a high degree of specialization, complex technology and a high level of investment—are those of a sector in which the industrialized countries, against the background of the spreading international division of labour, must make the major contribution.

There is an evident discrepancy between Europe's importance as an aircraft purchaser (its share is 25 per cent of the world market while that of the US is 50 per cent) and as a manufacturer (under 10 per cent compared with US 90 per cent). In the past, the shortcomings of the European aircraft industry in comparison with the American competitor and market leader have been obvious: they have included dispersal of available finance over competing projects, lack of an overall strategy to give coherence to the various programmes, no viable basis for marketing and further development, and fragmentation of decision-making powers.

Two levels of co-operation present themselves as ways of eliminating these shortcomings: in the first place, supranational co-operation at European Community level, and, secondly, bilateral or multilateral co-operation at national or industry level. All concerned at national and industry level have unequivocally chosen the second way: at EC level, there exists only a non-compulsory exchange of information.

Compared with Concorde, Fokker-VFW614, F-28 and Mercure, which were all in one form or another the subject of European co-operation, the Airbus programme occupies a special position. In the light of its economic success as well as of the level of co-operation it involves, it can be described as the nucleus of a *European* aircraft industry, whose future will be inseparably linked with the fate of this programme.

State of the Airbus programme

Organization

The Airbus programme has become the central project of civil co-operation in Western Europe. It is being carried out by the consortium

---

The author, who lives in Bonn, specializes in foreign affairs. This article appears simultaneously in German in *Europa-Archiv* (Bonn).

'Airbus Industrie' (AI), Toulouse, which under French law acts as a Groupement d'Intérêt Économique. The participants are the German and French aircraft industries (Deutsche Airbus GmbH and SNIAS) with 47·9 per cent each and the Spanish industry (CASA) with 4·2 per cent. The Dutch industry (Fokker) is a partner with a special status, not itself participating in AI, yet collaborating at all stages of the Airbus programme, which the Dutch government supports much in the same way as the French and German governments.

British firms have until now contributed to the programme only on the basis of contracts in civil law (non-risk bearing subcontractors) following Britain's withdrawal from the project during the preparatory phase (1969). The British withdrawal was provoked by an adaptation of the original Airbus model in order to make it more marketable, which was unacceptable to Great Britain.

The basis of the Airbus programme, which made the creation and production of the above-mentioned consortium possible, was the Franco-German governmental agreement of 29 May 1969. As well as the institutional framework (a joint supervisory board appointing an executive committee to carry out its decisions), the agreement laid down the financial obligations of the contractual partners and, on this basis, the work-sharing arrangements.

In considering future British participation it should be remembered that the preamble to the 1969 agreement expressly invites Great Britain to join the programme 'with equal rights and obligations'.

Content

(*a*) A-300 B2/B4: Today's Airbus A-300 B is a two-engined, wide-bodied, short- and medium-range aircraft, available in versions B2 (range 3,300 km/5,280 miles) and B4 (range 4,800 km/6,080 miles). Seating capacity is variable between 220 and 345 seats. Both versions are currently available for delivery with American engines from General Electric and Pratt & Whitney. This model alone is the subject of the 1969 governmental agreement.

(*b*) A-300 B10: It is intended that the present Airbus programme should be continued and extended by the development of modified versions according to market requirements (the concept is that of a 'family' of plane models).

The recent sales successes of the B2/B4 Airbus have justified the preparatory development work on a smaller version, the A-300 B10 Airbus, with up to 200 seats in a short- and medium-distance version. This model is intended to go into service in 1982. An agreement at government level on the ultimate development of a B10 has been delayed mainly in the light of Britain's prospective entry into the programme.

Economic success

With the order from the American company, Eastern Airlines, the Airbus has achieved a decisive success in terms of sales. According to the position in May 1979, 238 airliners of the B2/B4 type have been allocated to 27 airline companies to 1982: 166 orders and 72 options. The A-300 B2/B4 thus has excellent prospects of overtaking the French Caravelle. of which a total of 278 were bought, as the best-selling European aircraft. In addition, it should be remembered that in the case of the projected B10 a European aircraft was for the first time ordered 'off the drawing-board'. At present there are around 107 orders and options (52:57) in hand for the B10.

The considerable success achieved by the Airbus should not lead one to disregard the high level of financial commitment which made it possible. In addition to development costs totalling 2·7 billion DM arising from the governmental agreement, the Federal Government has set aside extensive resources to support the sales efforts, including production subsidies to compensate for currency losses and differential increases in costs in the United States and Europe; sales subsidies to reduce capital market interest to the level that American manufacturers can offer their customers; and the granting of credit guarantees to the German firms participating in the project in order to finance mass production. These subsidies were made available at first for an initial phase of 100 aircraft and were based on calculations of profitability which assumed a dollar rate of 3.22 DM. Despite rising sales figures, the 1978 forward plan of Deutsche Airbus GmbH, which has not yet been approved, therefore foresees a rise in production and marketing subsidies; together with the development costs required for the B10, this would involve a total cost to the Federal Republic of some 9·7 billion DM.

According to present calculations, break-even point (when public subsidies would no longer be needed) would be reached only with the 360th (B2/B4 programme) or the 500th (B2/B4 and B10 programmes) aircraft.

Great Britain's entry into the Airbus programme

Reference has already been made to the British option in the preamble to the Franco-German governmental agreement. Great Britain's participation is therefore regarded by Germany and France as the next step on the way to an intensification of European co-operation in the field of aviation. The contractual partners of 1969 pledged themselves to this goal in paragraph one of the preamble.

Given this background and the figures quoted above, there are compelling reasons in favour of British entry: first, risk- and cost-sharing; the fact that the Airbus programme will continue to need public support for the foreseeable future makes this a point of particular importance; secondly, entry will commit the British aircraft industry to supporting a

European project; the Airbus programme thus takes on the aspect of a dynamically growing nucleus of the European aircraft industry; thirdly, the failure of efforts to secure British participation would have had a damaging effect on AI's reputation and re-awakened the memory of previous failures in European co-operation.

Arguments raised against Britain's entry which point to the necessity for new work-sharing arrangements and thus the possible loss of jobs and know-how in France and the Federal Republic, appear much less valid in the face of these fundamental considerations; yet these very arguments originate from the narrow concept of national sovereignty which will have to be overcome by the development of new forms of co-operation.

At industry level, the terms of British entry were laid down in the agreement of 18 August 1978 between British Aerospace (BAe), SNIAS (AS) and Deutsche Airbus GmbH (DA). This agreement was approved by the governments concerned on 24 October 1978.

Great Britain's participation and thus the involvement of the largest and most important national aircraft industry in Europe in a joint European project must be seen as a positive development. However, as has been emphasized already, the Airbus has attained a significance beyond the existing programme as the nucleus of the European aircraft industry. Accordingly, the effects of a positive development or a subsequent failure of these agreements cannot be restricted to the project itself. The problems which emerged during the negotiations and their solutions must therefore be differentiated according to their immediate technical relevance on the one hand or, on the other hand, to their fundamental importance for the future survival of the newly achieved basis for co-operation.

The details relating directly to the programme need not be considered at length. They can be summarized in three essential points: first, on 1 January 1979 BAe became a 20 per cent risk-sharing participant in the B2/B4 programme; secondly, BAe is to pay an 'entry fee' of DM 50 m. for its share in AI; and, thirdly, BAe assumes responsibility for 25 per cent of the development costs of the new B10 Airbus.

The following section deals in greater detail with the problem areas of the negotiations which have wider implications beyond the programme itself for the development of the European aircraft industry.

The impact of British entry

Four problem areas which can be said to be of fundamental importance for the future development of the European aircraft industry can be highlighted from the entry negotiations:

(i) the involvement of the British aero-engine manufacturer Rolls-Royce in the Airbus programme;

(ii) in this context the question of possible conflicts of interest on the part of the United Kingdom and its participation in competitive production programmes (competition clause and right of veto);

(iii) the obligation of the British airline company British Airways to buy the Airbus;

(iv) a decision on the further development of the Airbus programme in the sense of the family concept and thus the consolidation of the programme as the basis of the European aircraft industry.

Rolls-Royce. Rolls-Royce is an important element in the British aircraft industry, the company accounting for around a third of all jobs within it. Its ability to keep up with technical developments and stay in the market is of decisive importance for Great Britain. The inclusion of Rolls-Royce in the Airbus programme was therefore imperative in order to avoid a major source of future friction.

Rolls-Royce has always tended towards transatlantic co-operation with the United States: with the RB-211 the company committed itself almost exclusively to the American aeroplane manufacturer Lockheed; with the RB-535 engine, which is in the process of development, Rolls-Royce will be a participant in the Boeing 757 project, the Airbus's competitor. Great Britain is thus involved in the US market to a greater degree than the Federal Republic and France. In order to avoid a full-scale development of the conflict of interests touched on here, it was necessary that Rolls-Royce should also be committed to the Airbus programme.

The agreement of the parties to supply the Airbus with Rolls-Royce engines does not only give the A-300B a better sales potential with traditional Rolls-Royce customers. Beyond that, it extends the basis for European co-operation to the third area of the aircraft industry, engine production, in addition to the airframe industry and the equipment industry.

In the interests of accuracy it should be pointed out that the agreement reached between the companies concerned in the first instance only the financing of adaptation work necessitated by the installation of the engine, with costs to be shared according to the territorial principle. The financing of the actual purchase of the engine is to be settled at a later date.

Right of veto and competition clause. It is in the interest of the Airbus programme that the British companies' co-operation with the United States should be restricted to existing areas and that, at the very least, an extension of this co-operation concerning projects competitive with the Airbus should be prevented. This danger was real in view of the interest shown by Lockheed, Boeing and McDonnell Douglas in British Aerospace. Two aspects had to be taken into account in a settlement: any effects of a British conflict of interests over the Airbus programme had to be avoided (right of veto); and the possibility of future British co-

operation in competitive projects had to be prevented (competition clause).

(*a*) Limitation of the right of veto.

By taking up a 20 per cent participation in AI Great Britain acquires a blocking minority on the joint governmental and executive committee and on the management boards of AI. The British can thus block decision-making, especially in those cases in which the Airbus is competing with an American aeroplane equipped with Rolls-Royce engines.

It is assumed that contractual partners will conduct themselves in good faith, in accordance with the terms of the contract. Long-term co-operation cannot be based on mistrust. The manifestation of such mistrust in the form of the removal of their blocking minority would have been unacceptable to the British on grounds of self-respect alone. On the other hand, the British Government undermined this very trust by its unwillingness to exert pressure on British Airways on the purchase of the Airbus. Thus, in respect of the British blocking minority a compromise had to be found which would secure the interests of AI without prejudicing long-term co-operation.

This aim was achieved by restricting the right of veto specifically to B2/B4 questions and only in situations where these models would be in direct competition with an aeroplane equipped with Rolls-Royce engines. The limitation expires on 1 August 1981 at the latest or on a declaration of intent to buy the Airbus on the part of British Airways. The A-300 B10 programme is not affected.

(*b*) Competition clause.

The Airbus programme has to be safeguarded not only against a passive blocking of AI management activity but also against active participation by BAe (with the British Government's support) in competitive projects. This safeguard seems to have been surprisingly successful. In the agreement at industry level BAe consented to a clause stipulating 'that there will be no individual participation in programmes conflicting with the present and future programmes of AI'. This commitment is supplemented by the British Government's undertaking not to support its airframe companies participating in the Airbus programme in the development and execution of any civil programmes which are in competition with it. As a result of this clear renunciation of support for competing projects, which can only be altered by agreement, the basis of long-term co-operation between Germany, France and Britain seems to have been secured.

British Airways' obligation to buy.

The question of the consequences of British Airways' refusal to emphasize the British industry's European connexion by buying the Airbus must be considered under various aspects. It is true that the

replacement of stock with Boeing planes in the absence of a substantial compensatory Airbus commitment on the part of the British airline weakens the positive effect of BAe's entry into AI and could awaken doubts about the British Government's fixity of purpose with regard to European co-operation. On the other hand, a policy which links entry with an ultimatum to buy (as the French did for a long period) must be open to the charge of protectionism, a charge which the West European industrial countries are particularly anxious to reject. Moreover, the alternative of a breakdown of the entry negotiations would have harmed the programme far more than a purchase by British Airways would have benefited it: BAe would then have been forced into co-operation with the United States and the chances of concerted activity at European level would have decreased significantly.

In the long term, however, closer co-operation between the industry and the airlines in the development of new projects in Europe is a vital necessity. Here, too, the attitude of the American companies and their caution with regard to AI sales proposals, which can scarcely be justified on economic grounds, determines future action.

'Family concept'

Because of the know-how acquired as a result of the Airbus programme this project is destined to be, in terms of personnel and technology, the matrix for future European aviation policy. Indeed, the Commission of the European Communities has called on the member states to regard the Airbus as the basis of all future thinking on European programmes and organizational planning in civil aircraft building. Thus, it was of particular importance that Great Britain acknowledged the 'nuclear' function of AI by its entry and by setting aside its own national interests.

However, such a function can be fulfilled by AI only if the programme to date is continued in the sense of a family concept. An example of this is provided by the successful Boeing family 707, 727, 734 (with a total of 2,700 machines sold), which resulted from the variable application of important parts in the construction of fuselage airframes for the various types.

A similar concept exists also in the case of the Airbus: as well as the B2/B4 types already available and the B-10 type being developed, there is a four-engined long-range B-11 version in the planning stage. There was a danger of fragmentation of European resources in the old style in the case of long-term proposals to build a short-distance aircraft with around 160 seats (JET), to which the three parties attribute different measures of importance. The British, in particular, intended to remove JET from the Airbus consortium and to put it on a new organizational basis.

The uncertainties which have existed hitherto about the realization

the extended family concept appear to have been ended definitively by itish entry. Point 6 of the agreement at industry level not only commits ιe to co-operation in the B2/B4 and B10 projects; BAe also undertakes participate in the JET programme 'or any other programme launched AI in which BAe would have a substantial share'. In Point 1 of the ernmental memorandum this long-term involvement in the Airbus ›gramme is acknowledged by the British Government. Thus one of most important conditions for the joint development of a European craft industry based on the Airbus has been fulfilled.

nclusions

Belgium's recently announced intention to join the Airbus programme ıfirms the view that with the Airbus concept the era of competing erests in the European aircraft industry seems to be at an end. A lasting is for co-operation between airframe, engine and equipment manu-turers has been established into which, in the long term, the airline npanies can also be integrated.

There is no reason why the American competition should regard the engthening of this sector of industry in Europe as a threat. Calculations he airlines' anticipated replacement needs and new purchases during next few years show that the market share of 20–25 per cent envisaged Europe is a sensible and achievable goal. Moreover, the Airbus family ıcept has, in the short term, filled a gap in the market, as the rapidly reased demand has shown.

These assumptions give rise to the hope that the fragmentation of ources and responsibilities may now be a thing of the past. In this nate, the combined European aircraft industries should succeed in oming a competitive partner enjoying equal rights, who will in future longer require massive subsidies.

Romania's struggle for an autonomous foreign policy

ROBERT R. KING

> *'There is continuing Soviet pressure to narrow the scope for autonomous action and continuing Romanian probing to expand it.'*

ROMANIA'S claim to uniqueness is its foreign policy. Over the past two decades Romanian leaders have carefully pursued their own interests in international affairs and gradually expanded their autonomy from the Soviet Union, and this has been accomplished despite the fact that Romania remains a member of the Soviet-led Warsaw Pact and the Council for Mutual Economic Assistance (Comecon). Bucharest has carefully managed to avoid Soviet military intervention while at the same time it has pursued policies that have differed in important regards from those of Moscow. The Romanians have developed their international contacts across a broad front, maintaining good relations with countries that have a wide variety of internal political and economic systems and quite different foreign policies.

The forbearance shown by the Soviet Union towards Romania's foreign policy deviance has been less a function of enlightened self-interest on the part of the CPSU leadership and more a consequence of the Romanian leaders' acute sensitivity to the limits of Soviet indulgence. Unlike the Dubcek leadership in Czechoslovakia in 1968, the internal power monopoly of the Romanian Communist Party has not been threatened. Furthermore, the Romanians have not challenged fundamental Soviet security interests by their foreign policies. Though they have called for dissolution of all military blocs and limited their participation in joint Warsaw Pact military exercises, Romanian leaders continue to affirm their intention to fulfil all obligations assumed under the Warsaw Treaty and the bilateral treaties that link Romania with each of its Warsaw Pact allies. Romania has chosen to follow its own foreign policies in areas of less fundamental Soviet concern.

Dr King, a consultant on Soviet and East European affairs, was previously a member of the National Security Council staff (1977–8) and Assistant Director of Research at Radio Free Europe. His books include *Minorities Under Communism: Nationalities as a Source of Tension Among Balkan Communist States* (Cambridge, Massachusetts: Harvard University Press, 1973) and *A History of the Romanian Communist Party* (Stanford, California: The Hoover Institution, forthcoming).

The limits are not explicitly defined; thus there is continuing Soviet pressure to narrow the scope for autonomous action and continuing Romanian probing to expand it. The changing constellation of international forces plays an important role in what the Russians have permitted and what the Romanians have attempted. The course of Romanian autonomy has not followed a pattern of constant expansion, but has fluctuated as Soviet pressure for conformity has intensified or waned and as Romanian boldness has alternated with caution. Although this autonomy has been institutionalized to a degree because it has continued for nearly 20 years, there is no evidence of Soviet acceptance of this state of affairs as a permanent condition. The Soviet-Romanian relationship has been more like the oscillations of a pendulum, with dramatic swings towards Romanian autonomy followed by Soviet efforts to tighten the rein.

Past Soviet-Romanian relations

Initial Soviet-Romanian differences began in the late 1950s and early 1960s over economic issues, but Romanian autonomy was spurred on by Soviet-Chinese inter-party differences and a more active Western (particularly United States) effort to build bridges to Eastern Europe. The high point in this early phase of the push for autonomy came in 1967–8 when, in defiance of the Soviet Union, Romania established diplomatic relations with West Germany, refused to break formal diplomatic ties with Israel after the June 1967 Arab-Israeli conflict and publicly disagreed with the Soviet Union on the desirability of convening a World Communist Conference. The Russians tightened the rein following their intervention in Czechoslovakia in August 1968. Although the Romanian party leader, Nicolae Ceausescu, initially condemned that action in the strongest terms, criticism was moderated after a stern Soviet warning. Within the next two years, Romania participated in the Moscow Conference of World Communist Parties, agreed to certain changes demanded by Moscow in the Warsaw Pact structure, and renewed its treaty of friendship and alliance with the Soviet Union. While Romania had achieved a unique position within the Warsaw Pact—a fact that was acknowledged implicitly in the new treaty with the USSR—a certain tightening of the Soviet grip was also evident.

This trend was again reversed in June 1971 when Ceausescu paid a visit to Peking, but the effort to effect a closer Romanian-Chinese liaison was halted by a Soviet-led campaign of pressure against Bucharest. In the aftermath of these developments, the Romanians sought to strengthen their foreign policy base by cultivating as many points of support as possible. Towards the Soviet Union Romania pursued normal relations, saving disagreement for essential issues only, and avoiding, to the extent possible, the strain that marked their relations in 1967–8 and 1971.

Romania has attempted to have good relations with its other Warsaw Pact allies, and relations with Bulgaria have been particularly smooth despite Sofia's slavish adherence to the Soviet line. Yugoslavia has been a close political ally, and other Communist states (China, North Korea, Vietnam) and parties independent of Moscow (particularly those in Italy, Spain, Japan and, for a time, France) have also been cultivated by the Romanian party.

Ties with the United States and Western Europe were established when the Cold War still dominated East-West relations, but as détente evolved in the 1970s Romania lost its unique status with the general improvement in relations between Warsaw Pact and Nato states. Romania still seeks to maintain special ties with the West, though these relations are less important now than they once were. Romania began to cultivate a number of individual developing countries in the early 1970s, and this approach has broadened into a general policy of identifying Romania with the Third World. Romania was granted membership in the United Nations 'Group of 77' in 1976 and the Non-aligned Movement accorded it guest status for summit and foreign minister conferences (its Warsaw Pact membership precludes full membership or even formal 'observer' status).

Revitalizing the Chinese connexion

This basic pattern of Romanian foreign policy—confrontation followed by normalization in order to expand or maintain autonomy vis-à-vis the Soviet Union—has again been confirmed by events of the past year. Changes in the international constellation of forces gave Bucharest the opportunity to attempt to widen the limits of autonomy. Taking advantage of the post-Mao leadership's increasingly assertive international posture, Romania took a number of steps that brought it closer to China. The most demonstrative were two top level visits that took place in 1978—Ceausescu travelled to Peking in May and the Chinese Premier and party leader, Hua Kuo-feng, paid a five-day visit to Bucharest in August. What took place during the visits was not particularly dramatic, but the fact that they occurred was itself highly significant.

The Chinese, both before Ceausescu's arrival in Peking and during his visit, lauded Romania's defence of its national independence and state sovereignty. Hua referred to the Romanians and Chinese as 'comrades in arms' in defending their independence and said that they were bound by a common destiny despite the distance between them. (This was seen as at least a partial reversal of the statement by Chou En-lai during a period of Soviet pressure on Romania in August 1971 that 'distant waters cannot quench fire', which was interpreted as a Chinese warning that it could do little to help the Balkan states in the face of Soviet pressure.) During the Ceausescu visit an agreement was signed calling for both countries to

open consulates on the territory of the other, a step that could strengthen the Chinese presence in the Balkans.

The Russians were displeased with Ceausescu's visit to Peking but did not show this as dramatically as after Ceausescu's similar journey in 1971. The visit of Hua to Bucharest and Belgrade three months later, however, was considered a much more serious matter by Moscow. Less than a week before Hua's arrival in Romania, China and Japan had signed a Treaty of Peace and Friendship, an action criticized by the Kremlin as being directed against the Soviet Union. Hua's visit to the Balkans raised the spectre of increasing Chinese influence on Moscow's western doorstep. That fear was given timely and dramatic emphasis on the eve of Hua's arrival with the publication of an open letter to China from the Albanian leadership in which it was asserted that in the past the Chinese repeatedly suggested the creation of a Belgrade-Bucharest-Tirana military axis in order to counterbalance Soviet expansionist designs in the Balkans.

Moscow's concerns were reflected in the summer 1978 meetings in the Crimea between the individual East European leaders and the Soviet President and party General Secretary, Leonid Brezhnev. Ceausescu paid a one-day visit to the Crimea a week before the Chinese leader arrived in Romania. It was clear that China was the centre of attention since all the communiqués issued after these Crimean talks, with the notable exception of that published after Ceausescu's visit, condemned Peking's foreign policy and called for Warsaw Pact cohesion, and the statement of the Soviet party Politburo on the Crimea talks also underlined the Chinese aspect of the discussions.

The Hua visit itself was sufficiently provocative to Moscow so the Romanians chose not to antagonize the Russians further by minimizing inflammatory rhetoric during his stay in Romania, and the Chinese guests were deferential to the sensitivities of their hosts. Ceausescu's speeches during the visit included *pro forma* statements about defence of the country's sovereignty and independence, but nothing that went beyond routine phraseology. Although on a few occasions Hua used the term 'hegemonism' (the favourite anti-Soviet term of the Chinese), there was obvious restraint in direct criticism of the Soviet Union. The Russians and their loyal Warsaw Pact allies, however, reacted with an extensive press campaign in which China was accused of attempting to drive a wedge between Romania and its Warsaw Pact partners and seeking to undermine the political and ideological cohesion of the 'socialist community'.

Confrontation at the Warsaw Pact summit

Soviet anxiety over Chinese policies was a key factor in a renewed effort to strengthen the cohesion of the Warsaw Pact and unite the East

European bloc against Peking. Brezhnev made a visit to Bulgaria in January 1979, in large part to reassert Soviet interests in the Balkans in the wake of the Hua visit a few months before. The November 1978 Warsaw Pact summit in Moscow, however, was the major focal point in this effort. It was preceded by a visit to Bucharest of the Soviet Foreign Minister, Andrei Gromyko, and a secretary of the CPSU Central Committee, Boris Ponomarev, who apparently came to secure Romanian support for measures to be introduced at the meeting. At the summit, the Soviet Union made a number of proposals aimed at strengthening the Warsaw Pact including measures to improve centralized military command in the alliance, a commitment for increased defence expenditures by all member states, co-ordinated support for Vietnam against China and opposition to efforts to achieve an Egyptian-Israeli peace treaty. Romania refused to accept Soviet demands on each of these points and a Warsaw Pact statement on the Middle East which criticized both Egypt and Israel was made public at the conclusion of the summit with the conspicuous absence of a Romanian signature. The ritual incantations about alliance unity made by individual leaders and the press communiqué on the summit thus had a particularly hollow ring.

After the summit, the Romanians aired in public the differences which had come up in Moscow. The party leader, Mr Ceausescu, rejected increased military expenditures as an intensification of the arms race and denounced proposals that would take from Romanian officials the right to make decisions regarding use of the country's armed forces in military action. He also reaffirmed the intention to strengthen relations with 'all socialist countries' (the phrase used to specify China as well as the loyal allies of the Soviet Union) and reiterated the view that the Warsaw Pact was a defensive *European* alliance, implying that the Russians sought to expand the bloc's area of concern to include China as well as Europe. To bolster his position Ceausescu not only raised these issues on a number of occasions, but also initiated a massive campaign of support which included endorsement by the Romanian party Central Committee and various party and civic groups of the position he had taken in Moscow.

Romania's public airing of these confidential matters provoked indirect but clear attacks on the Romanian positions by other East European leaders and their mass media. The strongest—although still indirect—criticism came from Brezhnev himself. Thus the Soviet reaction to Romanian policy at the summit was even sharper and more authoritative than it had been at the time of the Hua visit. While Ceausescu continued to affirm Romania's adherence to the defensive aims of the Warsaw Pact, by rejecting specific Soviet measures aimed at strengthening alliance cohesion he struck a particularly sensitive Kremlin nerve.

The Moscow-Bucharest confrontation provided an occasion for Romania to call forth support from various quarters. In the aftermath of

the Moscow summit, a series of high-level contacts took place with officials of the French, Spanish and Italian Communist Parties, all critical of certain Soviet policies but influential in Communist circles because of their political importance in their individual countries. The Romanian Deputy Prime Minister, Paul Niculescu, en route from North Korea, stopped in Peking where Chinese officials affirmed support for Romania's struggles to defend its national independence and sovereignty. President Carter of the United States, in part in response to Romanian importunings, sent the Treasury Secretary, Michael Blumenthal, to Bucharest as a special envoy 'to reaffirm to the Romanian people and to President Ceausescu the importance we attach to Romania's independence and to US-Romanian friendship'. Thus, the dispute with Moscow was an *opportunity to gain international attention and to dramatize* Romania's unique position vis-à-vis the Soviet Union, something that has been more difficult to do in the 1970s than it was in the 1960s.

The actions during and after the Warsaw Pact summit were considered essential in Bucharest to enable Romania to maintain the foreign policy autonomy it had built up over the previous two decades. Growing Soviet concern over Chinese foreign policy manœuvres in Asia (particularly its success with Japan), Africa, Europe and the United States were seen as a threat in the Kremlin, hence Moscow sought to strengthen the Warsaw Pact against Chinese influence. For Romania this involved narrowing the limits for foreign policy autonomy. Thus for both sides the experience was another limit-testing exercise, with both countries again acknowledging the boundaries to their actions. The Soviet Union was not successful in bringing Romania into closer cohesion with the rest of Soviet Eastern Europe, but at the same time Romania did not expand the boundaries within which it operates, though it did reaffirm what had been gained in the past. A visit to Moscow in February 1979 by the Romanian Foreign Minister, Stefan Andrei, marked the return of normal and correct relations between the two countries. Neither side was willing to compromise its basic position, but neither was willing to risk pushing their differences to an open confrontation in an effort to win a favourable resolution.

The internal political dimension

For Ceausescu the confrontation with the Soviet Union was a welcome opportunity on the domestic as well as on the international front. Ceausescu's popular support has varied considerably during the 15 years he has led Romania. It reached its apogee in the aftermath of his stern denunciation of the Soviet-led invasion of Czechoslovakia in 1968, but began to wane quickly as he has continued to call for sacrifices in order to build up the country's economy rather than increasing the standard of living. A further factor for the decline in his support has been mis-

management, most evident in his reluctance to implement economic reforms that might have permitted better utilization of the economic ties with the West. Ceausescu's autocratic and capricious leadership style, as well as tolerance for incompetence, cronyism and nepotism have also contributed to the alienation.

The issues at the November Warsaw Pact summit were ideal for Ceausescu to exploit in raising his domestic political standing. A confrontation with the Soviet Union—Romania's traditional foe and the principal threat to its independence—always galvanizes patriotic sentiment. Ceausescu played up the nationalistic theme that Romanian officials should control the country's military forces and that these would never be surrendered to any outside authority.

The most popular issue, however, was Ceausescu's refusal to accept the Soviet demand for increased defence spending. He argued that Romania's military budget was 'rational and reasonable' and that raising it would contribute to the arms race and cut into planned increases in the standard of living. Since the material welfare of the population has not been an important policy priority in the past, holding the line against the Soviet Union on this particular issue must have been especially well received. Nevertheless, the military and security forces had to be reassured on this score since the defection of a senior Interior Ministry official had precipitated major personnel changes, and morale was sagging. In a speech to leaders of the Ministries of National Defence and Interior, Ceausescu asserted that the requirements for an adequate defence would be met, but he also reminded the military officials that raising the standard of living is important since a defensive war (the only kind, he asserted, that Romania would be involved in) would require the active support of the entire population.

The confrontation with the Soviet Union no doubt resulted in increased popular support for Ceausescu and his government, but it is unlikely that this lasted much beyond the end of the crisis. The daily problems and frustrations of coping with the low standard of living are a much more important and immediate source of popular attitudes toward the government than periodic conflicts with the Soviet Union. In the long run, tension between a popular, independent-minded foreign policy and a repressive, unpopular domestic policy may be the factor that will determine Romania's ability to maintain its international position.

Which way next?

The Soviet Union and Romania periodically go through the ritual of confrontation, but the limits on both sides are defined and have remained quite stable for the last decade. When it comes, the post-Brezhnev succession crisis may provide an opportunity for Romania to widen the limits of its foreign-policy autonomy. (The replacement of Nikita

Khrushchev in October 1964 was an important factor in giving Romania an opportunity to expand its autonomy at that time, although the death of its former party leader, Georghiu-Dej, in March 1965 probably inhibited Romanian boldness at an important moment.) Even at a time when Soviet leaders are preoccupied with their own internal relationships, however, it is unlikely that Romania will be permitted substantially greater latitude than it now enjoys. Furthermore, the Soviet threat remains a major factor in the Romanian Communist Party's internal hold on power. Since it is unlikely that Romania can completely escape the Soviet sphere, the party in its present incarnation is accepted as the best of several bad alternatives. Even if a suitable opportunity presented itself, it is unlikely that the Romanian Communist party would opt to sever all links with the Soviet Union.

If other factors do not change, the Romanian-Soviet relationship will most likely continue in much the same fashion as over the last decade. In international politics, however, stability seems to be the exception rather than the rule. Uncertainties may very well alter this relationship, and unfortunately, change is likely to be to the detriment of Romanian autonomy. A major factor will be the course of events in Yugoslavia after the death of Marshal Tito. If Yugoslavia continues its independent non-aligned foreign policy, Romania's course will be relatively secure, but the growth of internal instability and centrifugal tendencies among the Yugoslav nationalities may well induce the Soviet Union to impose greater conformity in Romania as part of a broader effort to influence Yugoslav developments. The changing of the guard in the Bulgarian party leadership could introduce factionalism that has been the mark of the Bulgarian party so often in the past. If this rock of Soviet Balkan influence becomes shaky, Moscow may well feel a greater need to re-impose discipline upon Romania. Events in Turkey, Greece, or the Eastern Mediterranean could also enhance the value to Moscow of Romanian conformity.

Changes in Romania, too, may affect the course of its foreign policy. Although the drive for autonomy from the Soviet Union was well under way before he became party leader in 1965, Ceausescu has closely identified himself with that policy. While it has the support of the party membership and hierarchy, that policy may not receive the same emphasis or priority under a successor, whatever the cause for the designation of a new leader. In addition, Ceausescu has been extremely skilful in managing the relationship with the Soviet Union and in developing Romania's ties with the industrialized countries and the Third World. Whether any leader who might follow him would be as adept at managing that policy is open to question.

It would seem that the most hopeful prospect for Romania is the continuation of the existing relationship with the Soviet Union in much the

same terms. This would involve periods of confrontation with Moscow as the Soviet leaders seek to narrow and the Romanian leaders attempt to maintain or possibly expand the bounds for autonomous foreign policy action. Periods of normalization and apparent reconciliation are also part of that pattern when common interests of the two countries are in the forefront. The nature of Soviet-US relations, events elsewhere in the Balkans, and (in Marxist terminology) the correlation of international forces will play a key role in setting the stage for further interaction. Unfortunately the most important of these factors that will affect the evolving relationship of the two countries are beyond the control of Romania. This, however, has always been the fate of smaller powers.

PRINTED IN ENGLAND BY POPPER & COMPANY LTD, WELWYN GARDEN CITY, HERTFORDSHIRE

THE WORLD TODAY

Founded in 1945, THE WORLD TODAY is issued under the auspices of the Royal Institute of International Affairs and published monthly by the Oxford University Press.

ANNUAL SUBSCRIPTION (12 issues a year)
Including postage inland and overseas
UK £7
US $20 (by accelerated surface post)
Elsewhere £9
Single copies 70p ($2) post free

Orders may be sent to booksellers and newsagents or to the Oxford University Press, Press Road, Neasden, London, NW10 0DD Telephone 01-450 8080

The Royal Institute of International Affairs is precluded by the terms of its Royal Charter from expressing an opinion of its own on any aspect of international affairs. Any views expressed in this publication are, therefore, the responsibility of the contributors.

ISSN 0043-9134

THE WORLD TODAY

The Royal Institute of International Affairs

CONTENTS

EDITOR: LILIANA BRISBY

September 1979
Vol. 35. No. 9

Manuscripts and correspondence should be addressed to the Editor, *The World Today*, The Royal Institute of International Affairs, Chatham House, 10 St James's Square, London SW1Y 4LE.

Note of the month

FROZEN MILK IN BRUSSELS

AGRICULTURAL Ministers and their civil servants, Commissioner Gundelach and his officials, and the leaders of farm organizations in the EEC lived in a state of perpetual unease throughout the first half of 1979, and the decisions taken on 21 June on proposals put forward by the Commission on 31 January offered little prospect of any respite in the balance of the year. In brief, the Commission had proposed a standstill on common agricultural prices for the 1979/80 marketing year; a set of measures to restore market equilibrium in the milk sector; improvements in the structural policy; and certain agri-monetary measures. In 1978 the Commission had talked of pursuing a 'prudent' price policy; this year the word was 'rigorous'. The Commission justified its approach on several grounds, including in particular the state of the economy and the persistent problem of surpluses, especially in the milk sector. The Commission's case was no less formidable for being largely predictable—the problems had refused to go away. Reactions to the proposals were equally predictable. Like the British Minister, Mr Silkin, BEUC (Bureau Européen des Unions de Consommateurs) had wanted a price freeze before: COPA (Comité des Organisations Professionnelles Agricoles) totally rejected the idea, arguing that between 1973 and 1978 EEC farm incomes declined in real terms by almost 12 per cent while earnings in other sectors increased by 15 per cent.

At their meeting on 30 March, the nine Ministers of Agriculture were nowhere near reaching agreement on prices and left themselves with little option but to maintain the status quo for as long as they thought might be necessary to find an acceptable compromise. This they did by extending the 1978/79 marketing year for milk, beef and fruit and vegetables until 30 June—the final day of the French presidency of the Council. They decided to devalue the green currencies of France, Italy and the UK by 5 per cent and Ireland by 0·3 per cent, just enough to eliminate all Irish MCAs (monetary compensatory amounts). There was an additional agreement to devalue the green lira by a further 4 per cent once the 1979/80 prices were finally determined—a point seized on with alacrity by the UK Farmers' Unions, which had been campaigning for a 15 per cent devaluation of the green £ and considered 5 per cent quite inadequate. Ministers also agreed not to meet again until after the general

election in the UK, which eight of them hoped would result in a change of British Minister.

The positions which governments had adopted by the end of March appeared to have changed very little by the beginning of June. The Commission remained totally committed to a price freeze, but only had the support of the UK—and this appeared not quite as uncompromising with a Conservative government in office as it had been under Labour. It was thought possible that Denmark, Ireland and Italy might in the end accept a freeze, on a variety of conditions; the Benelux countries wanted a 2 per cent increase for all commodities and France wanted rather more. The differences of view to be harmonized in the various commodity sectors were, to put it mildly, extremely complex, especially in milk. In the event, after yet another marathon, Ministers agreed on 21 June to increase prices generally by 1·5 per cent. The exception was in the dairy sector, where both the target price for milk and the intervention price for milk products were frozen at the 1978/79 levels. Ministers also decided to retain the co-responsibility levy at 0·5 per cent rather than introduce the formula proposed by the Commission, which could have resulted in a levy of 10 per cent. The green £ was devalued by a further 5 per cent, the French franc by 1·5 per cent and the lira by 4 per cent. The Deutschmark was revalued by 1 per cent and the Benelux green rates by 0·5 per cent. All these green currency changes had the effect of moving institutional prices as expressed in *national* currencies closer to the common price level.

Mr Gundelach, the Commissioner responsible for agriculture, immediately dissociated himself from the agreement in what were for him fairly colourful terms and upbraided Mr Peter Walker, the new British Minister, for failing to support him to the end in his bid to secure a total price freeze. But if the UK had vetoed any agreement which failed to include such a freeze (as the Labour government had threatened to do), there would have been no settlement until the autumn, if then, and the political consequences could have been considerable. Of course, it was not only Mr Gundelach who criticized Mr Walker; Mr Roy Mason, the shadow minister, dubbed him our 'weak man in Europe'. Mr Walker is likely to remain unabashed. Although when visiting Brussels while in Opposition Mrs Thatcher had displayed no marked enthusiasm for the EEC, and in the run-up to the election Tory spokesmen had threatened to be tough over the inadequacies of the CAP, the new government was determined to be more constructive than its predecessor. An agreement was always on the cards, and in the end it was by no means one-sided: Mr Walker got his 5 per cent devaluation of the green £ (but not the extra 5 per cent he would have liked for the pigs sector), and a butter subsidy; and Mrs Thatcher, meeting the other heads of government in Strasbourg the same week, was promised a study of the Community

Budget—to which, like her predecessor, she claims Britain pays too much.

As Britain's contribution to the Community Budget is such a sensitive issue, Mr Walker was at pains to show that overall Britain benefited from the settlement by some £34 m., 'a unique position since we joined the Community'.[1] Mr Gundelach, of course, was concerned with the implications of further strain on the budget for the future of the CAP. Whatever the precise figures may prove to be (the Commission's initial estimates suggested that the final settlement would cost nearly £900 m. more than the Commission's original proposals), Mr Gundelach thought that a supplementary budget might be necessary this year, that the 1980/81 budget estimates would have to be revised sharply upwards, and that by 1981 the cost of the CAP would push the budget beyond the limit of the Community's resources. Mrs Thatcher may find that the proposed study of the budget, if it is to be at all realistic, will be as much concerned with providing the Community with more money as with what proportion each country should pay. In December 1978, in reply to a question from Lord Bessborough in the European Parliament, the Commission indicated its distaste for Britain's 'gains and losses' approach to the budget on the grounds that figures for 'net transfers of each Member State to and from the Community budget' gave a 'false impression of what the Member States do for the Community and of the economic benefits they derive from it', and that 'calculations of a fair return do nothing to create a spirit of European co-operation'. The Commission also gave warning in advance that any study intended to assess the real economic impact of the budget on individual Member States would be 'time-consuming' and its results 'would probably be open to dispute'.[2]

If more money were to accrue to EEC funds, the Commission is well aware that it would be politically disastrous to suggest that it be used to defray the cost of ever mounting surpluses. In a thoughtful talk to a College of Europe Conference on 'The Prospects for Agriculture in the EEC' held at Bruges in June, Monsieur C. Villain, the Director-General for Agriculture, pointed out that the cost of the CAP is running at about 0·4 per cent of GNP, and for that the Community's 260 million inhabitants are sheltered from food shortages. Weather conditions alone make it inevitable that, in providing this assurance of supply, there will be surpluses of some commodities in some years. The dairy surplus is not of this kind. To use Monsieur Villain's figures, the surplus is 15 per cent of all the milk produced (15 million tonnes, or the production of 3 million cows) and still rising. There is no market for it, and it now accounts for 40 per cent of CAP expenditure. But there are no easy answers to the problem. One of the Commission's proposals this year was to make the

[1] MAFF Press Office: Speech by the Rt Hon. Peter Walker, MP, Minister of Agriculture, Fisheries and Food, at the Farmers' Club, 27 June 1979.

[2] Official Journal of the European Communities, No. C28, Vol. 22, 31 January 1979.

co-responsibility levy bite more deeply, but the formula it came up with meant that the levy would have been felt most keenly by the efficient milk-producing countries. Mr Peter Walker reckoned that, in its final form, it 'excluded 49 per cent of the production of Germany, 57 per cent of the production of France, 67 per cent of the production of Italy but only 9 per cent of the production of Britain from the higher levels of levy'.[8] In short, the Commission appeared more concerned with using the levy as an instrument of social policy to aid small producers rather than encourage production in areas most suited to it, which has long been considered a basic tenet of the CAP and which is at the heart of the British government's encouragement of milk production in this country.

This basic conflict of policy remains to be resolved. The Commission is already working on new milk proposals and the Council is committed to taking a decision on the structure proposals by the end of the year. With 6 million unemployed in the Community, it has become fashionable to talk of keeping people on the land rather than pushing them off it, and it will be interesting to see how the Council reacts. There are also those who link the social problem with the energy problem, and advocate using more human energy on the land to save other forms. The monetary situation remains problematical, and the UK now has the novel combination of a high rate of inflation with a *strong* currency. What is clear is that the economic, social, agricultural and energy problems act upon each other. The CAP cannot be looked at in isolation. The overall approach which is needed will be a severe test of the brains in the Berlaymont and the political will of the member governments.

TREVOR PARFITT*

[8] *loc. cit.*

* Mr Parfitt was until recently Director of the Bureau de l'Agriculture Britannique in Brussels.

Portugal's Atlantic territories: the separatist challenge

TOM GALLAGHER

UNTIL 1975 Portugal was able to count itself among the select club of West European nations untroubled by regionalist or separatist unrest. In the 800-year history of the Iberian state, a relatively impressive degree of cultural integration has been achieved. No linguistic, racial or religious minorities of any note exist. Indeed, the national boundaries have remained practically unchanged since the 13th century, giving Portugal, according to one observer, the world's most stable continental frontier.[1] With the exception of Iceland, Portugal is also the only completely unilingual country in Europe.

The absence of centrifugal tendencies undoubtedly helps to explain the long survival of this small Iberian country. However, cultural homogeneity has not proved to be a recipe for economic success and social progress. Portugal today is an underdeveloped nation whose economy is in the grip of a serious recession. In this backward West European setting, perhaps the poorest parts are the island archipelagos of the Azores and Madeira, where social distress and economic stagnation are acute. On the Azores, placed 1,000 miles west of Lisbon and 2,500 miles east of New York, infant mortality rates are the highest in Portugal. Further south on Madeira, the most developed island, 40 per cent of the population is illiterate. Both archipelagos, in common with rural Portugal, have been neglected—and, according to separatists, exploited—by a centralizing Portuguese state which concentrated its resources on Lisbon and latterly on the colonies. Under democracy or under dictatorship, the basic pattern did not seem to alter. However, the devout, unlettered and socially deferential islanders have usually borne their problems without complaint. Since Portuguese navigators first discovered and began populating the isles around 1430, they have generally not presented any major political headaches for Lisbon. Any unrest in the past usually sprang from mainland élite quarrels spilling over to the islands, as in the 1830s when the Azores figured in the civil war between liberals and absolutists, or in 1931 when the Azores and Madeira were the scene of the last major civilian revolt against Portugal's 48-year-old dictatorship.

[1] Michael Harsgor, *Portugal in Revolution*, The Washington Papers Series (London and Beverly Hills: Sage Publications, 1976), p. 1.

Dr Gallagher is Lecturer in the School of Peace Studies at the University of Bradford.

The rise of separatism

When this authoritarian system was finally toppled by the military on 25 April 1974, there was popular rejoicing throughout the country and Portugal's new army rulers became national heroes almost overnight. However, just over a year later, the provisional military government was confronted with major opposition in many rural centres, with thousands taking to the streets in protest against the rising Communist influence in national affairs.[2] The widespread unrest in northern Portugal during the 'hot summer' of 1975 received most attention, but violence had erupted in Portugal's Atlantic dependencies at least one month before law and order began to deteriorate in the metropole. Four years after the collapse of the Portuguese revolution, island unrest has not wholly ceased, which apparently indicates that the complaints and fears of demonstrators on the Azores and Madeira were more deep-seated and complex than on the mainland.

What, in the first instance, united the agitated mainland and island rural communities during 1975 was the fear of a complete Communist takeover of the national government. To devout smallholders influenced by local oligarchs and ultra-conservative clergy, the threat was a dire one since 'bolshevism' appeared to endanger the whole fabric of rural life. Faith, property, peasant lifestyle—and also traditional morals—seemed under siege. In the islands, particularly the Azores, there were additional preoccupations: Lisbon's neglect of the local economy and relations with the United States.

On the Azores, island ties with North America are particularly close: mass emigration has placed one million Azoreans in New England and Canada, more than three times the number remaining at home.[3] Between 1960 and 1970 an estimated 10 per cent of the population left the islands, most of them westward bound.[4] Today, there is hardly an islander who does not have at least one relative in the United States or Canada. Separatist leaders therefore claim that the only continent Azoreans know is North America. This is undoubtedly an exaggeration. However, it remains true that many islanders feel as much kinship with America as with Portugal. The American way of life and individual initiative are admired. Thus, it was not difficult for active opponents of Portugal's Communist-leaning revolution to find considerable support on many of the islands during 1975.

The demonstration by 30,000 islanders on São Miguel, the largest of the nine inhabited Azorean islands, on 6 June 1975 was the first popular

[2] For background, see Thomas C. Bruneau, 'The Portuguese coup: causes and probable consequences', *The World Today*, July 1974, and 'Portugal: the search for a new political regime', *ibid.*, December 1975.

[3] *The Daily Telegraph*, 25 August 1975, p. 4.

[4] Perhaps the most prestigious emigrant is the Archbishop of Boston, Cardinal Medeiros, who hails from the main Azorean town of Ponta Delgada.

challenge to Portugal's left-wing rulers. The fomentors of this unrest were, in the first instance, wealthier islanders who had been long-time backers of Dr Salazar's undemocratic rule. His regime of hierarchy and privilege had helped to buttress their social authority over several generations. Political opposition never got off the ground. When a radically different order suddenly dawned in Lisbon, the island establishment still remained the most powerful social element. Local landowners, hoteliers and entrepreneurs easily held on to their wealth unlike many of their mainland counterparts. Trade union organization remained weak, and in the elections for a national constituent assembly held in April 1975, the Left performed badly. Indeed, the Communist Party (PCP) received its worst national result on the islands: on Madeira only 1·6 per cent of voters backed it, while the Popular Democratic Party won a resounding 60 per cent of the votes there and a similar proportion on the Azores.

Emboldened by this result, the political Right took the offensive in June 1975. Soon conservatives who had previously been staunch defenders of Portugal's global empire began to speak out in favour of island secession. To what extent this was a ploy to frighten the central authorities is not altogether clear. Nevertheless, it is apparent that the birth of organized separatism dates from the violent summer of 1975. Within weeks both island chains were to spawn right-wing separatist movements. On Madeira, an organization called FLAMA (*Frente de Libertação Madeirense*) emerged, which destroyed the radio station in the capital, Funchal, and has since claimed responsibility for other acts of sabotage. On the Azores, the local separatist front, the FLA (*Frente de Libertação Açoriana*) has been more pacific. However, there political separatism is seen as a greater threat, especially in São Miguel where the FLA boasts a keen following. During 1975, the Azorean separatists received active backing for their cause from north American business circles and were able to gain access to Strom Thurmond, an influential US conservative Senator. When the separatists discovered that much of this US support was actually coming from crime syndicates in the expectation that an independent mid-Atlantic state could be easily manipulated and turned into a world gaming centre, they spurned the offered backing and began to mull over the dangers as well as the benefits to be gained from independence.

With the danger of a Communist take-over averted in November 1975, the first serious confrontation between the islands and the mainland gradually subsided. Local magnates drew back from openly espousing separatism, leaving a hard-core of militants to pursue their goals with a campaign of violence and disruption. Such methods are condoned by only a small minority of Azoreans and Madeirans. Nevertheless, the troubles of the last few years have left their psychological mark. Encroach-

ing revolution from the mainland undoubtedly sharpened local consciousness. Today islanders are much less inclined (as they may have been once) to view separatism as a situation bordering on the ridiculous. The FLA naturally regards this as a significant advance. It regularly points out that the Azores have a larger population and greater economic resources than the Cape Verde Islands, a former Portuguese colony which became independent in 1975. National independence—and a seat in the United Nations—is the FLA's own goal. Some others also favour leaving Portugal to join the United States, possibly as the 51st state of the union. There is no evidence that Washington has been encouraging such aims. However, Portugal's President Eanes has felt obliged to warn privately that he will not tolerate any attempted secession. In February 1977, to underline the fact that Portugal has the naval strength to put down a rebellion, the Naval Chief of Staff, Rear-Admiral António Souto Cruz, made a well-publicized trip to the islands. Less symbolic and more practical steps have also been taken by the Portuguese authorities in an effort to defuse unrest.

The Portuguese response

In April 1976, the framers of Portugal's new democratic Constitution made special provision for wide-ranging administrative autonomy in the Atlantic archipelagos. Henceforth, the islands were to have the power to levy taxes and tariffs, draw up budgets and take part in defence and foreign policy negotiations having a direct bearing on their future. The new Constitution also gave the inhabitants of the Azores and Madeira until 30 June 1976 to elect two regional assemblies. This poll took place against the background of national elections in Portugal during June 1976. The result was a narrow victory for the Socialist Party leader, Dr Mário Soares, who on 23 July 1976 was sworn in as Portugal's first democratically elected Premier in over 50 years.[5] In his all-Socialist Cabinet, several posts, including the Foreign Ministry, went to politicians from the islands or holding island seats. However, on the Azores and Madeira the majority party remained the Popular Democrats.[6] This was conclusively demonstrated in both the national and regional assembly contests when the party emerged with sweeping pluralities, especially on the Azores. There, with 60 per cent voting support, the 36-year-old lawyer João Mota Amaral became the first regional President.

[5] See Antonio de Figueiredo, 'Portugal's free choice', *The World Today*, August 1976.

[6] In the autumn of 1976, this centre-right party was renamed the Social Democratic Party; for the sake of clarity, it will henceforth be described as the PPD/PSD, the term by which it is often known in Portugal. Having been led for five years by the controversial Francisco Sa Carneiro, the party split in two halves during April 1979, a scission which may potentially throw island politics into a new flux since the PPD/PSD has been much stronger in the archipelagos than on the mainland.

Mota Amaral has proclaimed the Azores to be a free region in a free country. However, in Lisbon his political emergence has not passed without concern. Part of mainland opinion views this former deputy in the pre-1974 right-wing Parliament as an intelligent separatist whose long-term goals are not too different from the FLA's. Disputes with the 1976–8 Socialist government over the exact limits of regional autonomy have added force to this argument. But perhaps the single most disturbing incident in Lisbon eyes was a personal assault committed on the Deputy Prime Minister of Portugal when on a visit to the Azores during April 1978. Police apparently stood by while Senhor António Almeida Santos was twice attacked by a separatist crowd and then unceremoniously bundled off the islands on the first plane to Lisbon. Premier Soares immediately issued a strong protest to the regional President. However, Senhor Mota Amaral minimized the whole affair and there has been no clampdown on the FLA. Indeed, the separatists are able to organize quite openly. During 1976, their leader, José de Almeida (also a deputy before 1974), returned from North American exile, where he had been the self-styled leader of an Azorean government-in-exile. Back on the islands, he has endeavoured to fan traditional Azorean grievances: islanders complain of the low price their agricultural produce fetches on the mainland; they resent the taxes they pay to Lisbon, claiming that they recoup only half the amount in government expenditure; and they also resent the failure to develop the islands' undoubted tourist potential by a central government often accused of concentrating on mainland resorts.

The FLA has made some political headway by exploiting these grievances, but attitudes and opinions are not uniform throughout all the Azores or on Madeira. Whereas the largest Azorean island, São Miguel, is conservative and effectively dominated by large landowners, smallholders predominate on nearby Terceira, which is noticeably cool towards separatism. Terceira also feels that it has been neglected in favour of its larger neighbour, and the smaller islands fear the 'imperialism' of the main ones.[7] On Madeira there are similar variations, one district electing its priest to the regional assembly on a Maoist platform.

Thus there are parochial shades and rivalries which complicate the separatist task. For many years, Lisbon exploited such local particularism for its own centralizing ends. Today the new regional government of the Azores does not wish to be similarly accused and it alternates parliamentary and government meetings between the three main towns. But even within the ruling party (notoriously more conservative than its parent body on the mainland), local tensions occasionally arise. However, these have never become serious, and on most substantive issues the PPD/PSD presents a united front. This was recently demonstrated in the renegotiation of US base rights on the island of Terceira during 1978,

[7] *Le Monde*, 4 August 1976, p. 3.

when the Azorean President successfully pressed for island representatives to be included in talks between Washington and Lisbon.

Strategic considerations

The importance of Portugal to Nato perhaps derives principally from the strategic North Atlantic location of the Azores. These islands first became of major significance to the West during the Second World War when the question of a military campaign in the Mediterranean arose. Eventually, in 1943, the British Government (invoking the Anglo-Portuguese Alliance) requested the use of the Azores by British forces. This move replaced an American attempt to foment a local rising on the Azores against the 'fascist' regime of Dr Salazar. The would-be instigator was the OSS, the wartime forerunner of the Central Intelligence Agency, whose wartime interest in the Azores has not been publicized since. Nor is it well known that Winston Churchill was in favour of seizing the islands outright, without invitation, until dissuaded by the war Cabinet whose moderate counsel was rewarded when Dr Salazar immediately complied with the Allied request for base facilities.[8] British forces were duly landed and the Azores became known to thousands of soldiers as the Grand Central Station of the Atlantic.

Shortly after the war the US took over the British base situated on Terceira island and known as Lajes field. Since then the base has been expanded to become a primary Nato installation. Today it is used by 1,500 US servicemen whose spending power gives a significant boost to the local economy. The Azores proved their strategic geo-political significance in 1973 when Lajes served as a refuelling stop for US transport planes rushing military aid to Israel during the Yom Kippur War: without its use, America could not have maintained such an airlift. Two years later, in December 1975, Cuban aircraft carrying troops to Angola also used the Azores for refuelling. At the time, Portugal's Government was too weak to stop the Cuban troop-carriers. However, Lisbon has reacted with more speed to subsequent foreign intrusions.

In February 1978, when the Libyan leader, Colonel Qaddafy, demanded at a meeting of the Organization of African Unity in Tripoli that Lisbon should loosen its 'imperialistic' grip over its Atlantic possessions, the Portuguese National Assembly passed a unanimous vote of condemnation.[9] Parties from right to far-left joined together in condemning the Libyan leader's apparent ignorance of Portuguese history and cultural tradition. It was pointed out that the islands were as African as the Isle of Wight, the Azores and Madeira having been populated by seafaring Portuguese back in the 15th century, but never colonized. Colonel Qaddafy himself appeared unmoved in the face of Portuguese anger and

[8] See Glyn A. Stone, 'The official British attitude to the Anglo-Portuguese Alliance, 1910–1945', *Journal of Contemporary History*, vol. X, No. 4, October 1975, p. 741.

[9] *The Guardian*, 27 February 1978, p. 5.

subsequently one PPD/PSD leader in Lisbon claimed that Libya was providing unspecified help to the FLA and to FLAMA. Separatist leaders have declined to comment.

In this connexion the example of Spain's Atlantic islands may not be without relevance. It is known that separatists on the Canaries have been receiving substantial aid and protection from Algiers, which is the headquarters of the Movement for the Self-Determination and Independence of the Canaries (MAIDC). Founded in 1961, this movement believes that the minority indigenous population of the islands (known as 'guanches') have been exploited by Spain. Its leader, António Cubillas, has spent 15 years in exile in Algiers from where he has directed a campaign of terrorism against the Spanish authorities on the Canaries. In 1977 alone, 80 bombs went off on the islands. On 27 March that year, one of them indirectly caused the world's worst civil aviation disaster when two jumbo jets collided after being diverted from Las Palmas airport because of a bomb explosion in the airport terminal building.

However, as well as being more extreme, the MAIDC stands much further to the left than FLAMA and the FLA, and its contacts with them are slim. Links between the Azorean and Madeiran 'liberation fronts' are also rather perfunctory. Over 600 miles of ocean separate the two archipelagos. In 1975, although both island groups were affected by incipient rebellion almost simultaneously, there appears to have been no plan for an independent state encompassing them all. Then, Azorean separatists were only prepared to envisage loose economic ties between a self-governing Azores and Madeira. Later, in December 1976, leaders of both the FLA and FLAMA did meet in the Madeiran capital, Funchal, to issue a joint political manifesto. However, the Portuguese are not noticeably alarmed by such co-operation. In Lisbon, the feeling is that the granting of administrative autonomy has reduced local discontent and undercut separatist claims. Certainly the secessionist task is a more uphill one in the wake of the 1976 changes. However, on the Azores, the FLA is still very active, especially among the young people of the archipelago, who can join its local youth wing; given the rightward drift of Portuguese youth in the aftermath of the revolution, many have.

The potential for trouble thus remains in these islands, which over the past four years have emerged from a long period of international obscurity. At present, although other European countries may face greater problems with autonomist movements, relations with Lisbon are still tense, and the outside world should perhaps pay Portugal's Atlantic territories more attention. For the Azores and Madeira have never been merely tourist retreats or distant appendages of Portugal. Located off, or between the European, African and American continents, they are also of crucial geo-political importance. This was demonstrated as recently as 1975 in connexion with the Angolan civil war. Today, with increasing great-power rivalry, their strategic importance may grow apace.

Turkey between East and West: the regional alternative

MICHAEL M. BOLL

THE economic troubles of modern Turkey are of increasing concern to the European Economic Community in which Turkey holds associate status, and to the United States which depends upon continuing Turkish co-operation to anchor the eastern flank of the Nato Alliance. At a meeting between Turkish and EEC political and financial experts, held in the spring of last year in the Deutsche Bank in Munich, Turkey's major economic problems were said to include: (i) imports currently running three times above exports; (ii) overdue repayments to hard currency nations; (iii) unemployment at 20 per cent of the Turkish labour force; (iv) a birthrate of 3 per cent per annum; (v) a lack of raw materials, especially oil; (vi) a drastic decline in the remittances from Turkish workers abroad—traditionally used to offset Turkey's yearly balance of payments problem; and (vii) the absence of US economic aid due to the continuing dispute over the Turkish occupation of Cyprus.[1]

Requests for greater Western understanding and economic assistance have become a regular part of contemporary Turkish politics. But the frequent pleas for Western help have reflected a growing disenchantment with both the EEC and the United States, and there has been a parallel drive to diminish Ankara's reliance upon the West in favour of expanding economic and political ties with states in Turkey's immediate geographical environment. The future political, economic and international orientation of Turkey is at stake in this ongoing debate about the merits and possibilities of an increased regionalization of its policies. Given the recent disruptions in the Middle East, the West should pay close attention to this trend.

A basic cause of Turkey's reassessment of its post-war Western orientation lies in the economic consequences of its invasion of the island of Cyprus. While the justifications for the summer 1974 occupation of about 40 per cent of the island are still a matter of contention, the resulting impasse in Turkish-Western relations is not. In February 1975, the US Congress imposed an embargo on military aid to Turkey, causing, inter

[1] 'Kann die EWG die "Türkische Krankheit" heilen?', *Südosteuropa Mitteilungen*, 3, 1978, pp. 56–7.

Dr Boll is Associate Professor of Soviet and East Europe Government and History at San José State University, California. His main area of research is contemporary security requirements in the Eastern Mediterranean.

alia, a crisis in Turkey's modernization programme and the closure of 26 US defence installations located on Turkish soil. In combination with the financial reversals flowing from the 1973–4 West European economic recession, political and financial élites in Ankara began pondering the wisdom of Turkey's exclusive Western orientation.[2] It has been a major thread of the debate that to ensure its independence, Turkey must pay close attention to its geographical position at the intersection of four regions: the Middle East, the Balkans, Europe and the Eastern Mediterranean. Friendly ties with states in each region will permit flexibility in Turkish policy, precluding a rigid dependence upon military alliances centred outside the region and allowing divergent models and expanded assistance for Turkey's still revered goal of rapid modernization. It is this policy of improved political and economic relations with neighbouring states which lies at the basis of Turkey's new regional approach since the mid-1970s. Each step forward challenges once again the soundness of Turkey's post-war orientation towards the West, threatening to lead step by step to a dramatic reversal of Turkey's previous alignments with its Western allies. In one area of regional concern, expanded ties between Turkey and its neighbours paradoxically have developed within a military alliance once seen as crucial to continued Western influence in the Middle East: the Central Treaty Organization (Cento).

Regional Co-operation for Development

Formed in 1959 to replace the earlier Baghdad Pact, Cento brought Turkey together with its eastern neighbours, Pakistan and Iran, in an endeavour to co-ordinate strategic and logistical planning against the mutually feared Soviet threat. While Cento itself has experienced its own internal crises, the most recent being the withdrawal of Iran, it has served to facilitate the expansion of economic links between these three states through the formation of the Regional Co-operation for Development (RCD). Established in 1964, RCD chalked up little progress until activated by Turkey in the wake of the 1975 US arms embargo. As the Turkish Foreign Minister, Mr Caglayangil, noted at the April 1975 meeting of RCD representatives:

> In our opinion, our organization must now have the experience and the courage to embark on a leap forward by eliminating the difficulties which it faced in the early years.[3]

Preparatory to a meeting of heads of state scheduled for the following year in Izmir, Turkey, joint committees proceeded to examine possible

[2] For a general discussion of Turkish economic problems in the past five years see Mehmet Ali Birand, 'Turkey and the European Community', *The World Today*, February 1978; also Udo Steinbach, 'Perspektiven der türkischen Aussen-und Sicherheitspolitik', *Europa-Archiv*, No. 14, 25 July 1978.

[3] Quoted in *The Pulse* (daily press review in English from Ankara), 4 April 1975.

ways to improve the flow of goods and capital among the three states. On the eve of the Izmir Conference in April 1976, the Turkish journal *Milliyet* (19 April 1976) identified six areas of co-operation under discussion. Proposals for the establishment of a joint RCD investment bank, the creation of a favourable tariff structure among members, and the institution of a free trade area within the next decade headed the list. The 1957 Treaty of Rome which established the European Community was reported to be the model for future RCD development.

The final Izmir Agreement, modified somewhat in the following year, was analysed in detail by *Milliyet* on 9 March 1977. Consisting of 38 clauses and annexes, the Agreement aims at the eventual foundation of a free-trade region embracing the member states. To this end, representatives of the planning commissions of each state will confer regularly so as to harmonize existing tariffs, and to plan domestic developments. Joint ventures will be encouraged with the help of a joint investment and development bank which will have the task of co-ordinating mutual efforts. At the May 1978 annual meeting of RCD Foreign Ministers, six new sub-committees were formed to expand co-operation in the fields of industry, oil-petrochemicals, trade, transport, communications and technology. The communiqué after this meeting, as reported in *The Pulse* on 25 May 1978, noted that a regional survey of suitable areas for joint investment had been completed, and recommended that the economic planners of member states should now meet to finalize suggestions for the co-ordination of each state's national development plan.

At the present moment, political disruptions in Pakistan and Iran are hindering the step-by-step movement of the RCD towards a free-trade market. Yet it is anticipated that this hiatus will be temporary, to be followed by renewed efforts for RCD progress. The Iranian revolution in particular, motivated by a nationalistic concern to ensure Teheran's political and economic independence, is likely to further the coincidence of interest which has underlain RCD co-operation to date. The next two years undoubtedly will see more rapid progress towards regional co-operation among the RCD states.

Relations with Libya

The emergence of the Opec states as major actors on the international scene provides Turkey with additional opportunities to gain badly needed raw materials and financial assistance within a regional context. While Iran plays an important role here, it is not alone as an object of increased Turkish interest. Equally important is the Mediterranean state of Libya with which Turkey developed excellent relations after the imposition of the 1975 US arms embargo. Recent agreements with Tripoli extend the promise of help for Turkey's modernization plans in three crucial areas: oil, financial assistance available due to the expanded price of Libyan oil

on the Western market, and possible employment of Turkish workers in Libya's own industrial expansion at a time when Western Europe shows a decreasing ability to employ Turkish *Gastarbeiters* within the EEC.

The high-point in Turkish-Libyan relations came during the visit of the Turkish Prime Minister, Bulent Ecevit, in late January 1979. Three major agreements for developmental assistance and joint economic collaboration were signed which promise to provide Turkish industry with needed funds. The Libyan commitment, individually and in combination with other Opec states, is estimated to be in the range of $1 billion, and will be used to fund a $252 million paper mill on Turkey's Black Sea coast, a light diesel engine factory, a $302 m. fertilizer factory, several tractor factories and a host of other, smaller, industrial ventures. Earlier Libyan pledges to provide Turkey with oil have been confirmed and expanded so as to cover the anticipated gap in Turkish oil imports in 1979 due to the Iranian revolution. In addition, Libya has offered to use its good offices to obtain funds from other Opec states to solve Turkey's balance-of-payment problems. Joint firms will be established, and the General Agreement for Development holds out prospects for a harmonizing of the plans of both states. According to reports from Tripoli, steps have been taken to facilitate the remittances of Turkish workers in Libya in hard currency. Trade between the two countries is scheduled to double in 1979, and government-to-government agreements will be supplemented by future private ventures. In early March, a team of 20 Turkish businessmen arrived in Libya to negotiate such undertakings.[4]

The progress in Turkish-Libyan relations provides a good example of Ankara's successes in regionalizing its economic and external policies. Yet, as might be expected, there is a price to be paid. The continued adherence of Turkey to its Nato commitments has come under attack in Tripoli, with thinly veiled hints to make future Libyan aid conditional upon a further neutralization of Turkey's defence policy. On 30 July 1978, the Turkish journal *Hurriyet* quoted the Libyan leader, Colonel Qaddafi, as stating:

> We want to draw closer to Turkey, but because of the Atlantic Pact, it has not been possible. The Arabs and the Third World countries are suspicious because they fear they might come close to the Atlantic Pact countries. For this reason, the only thing our Turkish brethren can do is to leave the alliance.

While this quote was subsequently denied by the Turkish Government, it appears to reflect Libya's long-term price for continued good relations. How far Turkey is willing to go in this regard remains an open question.

[4] For the full details of these agreements, see *The Pulse*, 29, 30 and 31 January 1979; *Tercuman* (Istanbul), 28 January 1979.

The Islamic connexion

The pan-Islamic revival in the current decade provides another arena for Turkey's regional economic and political goals. While Turkey in her 1961 Constitution defines itself as a nationalistic, democratic and secular state, the fact that its inhabitants are overwhelmingly Muslim and that their forebears acted for centuries as defenders and expanders of the faith has allowed the present Turkish leadership to take full part in international Muslim activities. Since 1975, Turkey has played an important role in the yearly Islamic conferences which bring together over 40 Muslim states and organizations.

The major factor in Turkey's revived interest in Muslim politics concerns the still disputed future of the Turkish occupation of Cyprus. In contrast to the 1974 UN resolution which called for a return to the pre-1974 status quo in Cyprus, Turkey supports the creation of a bi-communal, federated Cypriot state which will guarantee the rights of the Turkish minority. In 1976, Turkey itself hosted the annual Islamic conference in Istanbul, keeping up pressure on the delegates of the 41 countries assembled. At Turkish urging, the President of the newly proclaimed Turkish Federated State of Cyprus, Ralf Denktas, addressed the delegates. By the time of the 1977 annual conference in Tripoli, a Turkish resolution favouring a federated Cyprus garnered an overwhelming majority, with only Algeria, Syria and Lebanon in opposition.[5]

In the face of continued Western opposition to the Turkish invasion and occupation of Cyprus, support from the numerous Islamic nations remains of central importance to Ankara's foreign policy. But the Islamic countries are also viewed as economic alternatives to Turkey's dependence upon Western financial and defence aid. On the eve of the 1976 Islamic conference in Istanbul, the Turkish journal *Cumhuriyet* (11 May 1976) reported that Turkey favoured the creation of an Islamic Common Market which might include an Islamic Payments Union. While the conference itself skirted round this particular issue, a number of economic agreements provided a first step towards future Islamic economic integration. *Tercuman* reported on 27 February 1977 the establishment of a Turkish-Arab Bank which would raise capital from Turkish, Libyan and Kuwaiti sources. Other joint Islamic economic institutions either established already or under active discussion include an Islamic airline, a chain of Islamic hotels and an Islamic Chamber of Commerce.

The improving economic ties between Turkey and the Islamic states provide continuing incentives for Ankara to promote the formation of an Islamic Common Market. In the autumn of 1977, the Turkish Minister of Trade completed an extensive survey of products which might be sold in Islamic countries. *Milliyet*, on 9 December 1977, quoted the Minister as stating: 'It is our aim to realize an Islamic Common Market between

[5] *The Pulse*, 23 May 1977.

Turkey and the Islamic countries. We are working on an Islamic Coal and Steel Union to this end.' Important in this effort was the creation of an Islamic Countries' Data Bank for the Exchange of Statistical and Economic Information, announced in Ankara in August 1978.

The future of the proposed Islamic Common Market requires serious debate and discussion in Ankara. As several Islamic states have pointed out, Turkey's special relationship with the EEC may preclude full membership in any future Islamic customs union. Yet Turkey's goal of an enhanced regional policy requires it to pursue this Islamic option as well. So far, the level of intra-Islamic economic developments has not posed the dilemma in its starkest terms.

Closer ties with Eastern Europe

Undoubtedly the most dramatic achievement of Turkey's new regional policy is the increasing friendship with neighbours to the immediate north: the Soviet Union and the Warsaw Pact nations. The reversal of past animosities is even more startling when one recalls that territorial demands by Moscow in the immediate post-war period were responsible for Ankara's close alignment with the West during the height of the Cold War. From the mid-1960s onward, Ankara has taken tentative steps to defuse outstanding disputes with its Communist neighbours—steps which led to a firm policy of good-neighbourliness following the 1975 US arms embargo. Symbolic of the new era was the arrival of the Soviet Prime Minister, Mr Kosygin, in Ankara during December 1975, in the company of 40 Soviet financial and political experts. In his welcoming speech, the Turkish Prime Minister noted: 'Turkey wishes the creation of an atmosphere of [mutual] co-operation which will set an example for relations with other countries with differing socio-economic regimes.'[6] In his response, Kosygin took pains to deny any Soviet intent to replace Turkish dependence upon the West with a new dependence upon Moscow. The road to full Turkish independence, he suggested, might pass through Moscow.[7]

The economic gains of improved Turkish-Soviet relations form one of the outstanding successes of Ankara's regional politics as the actual and projected trade figures indicate.

	Turkish Exports to USSR	Turkish Imports from USSR
	(in thousands of US dollars)	
1975	73,641	73,655
1976	80,991	88,956
1977	80,406	81,769
1978	Not Available	
1979	193,500	192,110
1980	207,124	218,950
1981	228,554	235,265

Source: The Pulse, 20 March 1978 and 20 October 1978.

[6] *ibid.*, 29 December 1975. [7] *ibid.*

Current trade protocols on which future trade figures are based, promise to provide a stable market for Turkey's traditional exports of agricultural products at a time when such products face increasing competition within the EEC. There are also reports that the existing labour shortage in the Soviet Union will result in future openings for Turkish workers.[8]

Stable markets, however, is but one aspect of improved Soviet-Turkish economic relations. Even more crucial is the rapid growth of direct financial investments in the key sectors of Turkey's modernizing industry. According to a report given by the Turkish Deputy Prime Minister, Hikmet Cetin, after his talks in Moscow in October 1978, joint projects between the two states include the Orhaneli Power Station planned to generate 200 million watts of electricity upon completion, the Can Thermal Power Station to be rated at 600 million watts, a doubling of the capacity of the Seydisehir Aluminium Plant, a tripling of the size of the Iskenderun Steel Mill, and a series of other, smaller, undertakings.[9] Turkish needs for oil have received Soviet attention and joint activities are to include prospecting and drilling, geological exploration and training of Turkish personnel. In addition, the Soviet Union is now sharing the results of its aerial surveys of the Middle East region with Turkey.

As a result of expanded economic relations, Turkey is at present the largest single recipient of Soviet aid in the Third World; this aid exceeds that currently given to Turkey by any Western nation. To date, Moscow has avoided linking economic aid to specific political demands, although rumours in Ankara in 1976 and 1977 suggested Soviet pressure for a non-aggression pact which might provide the first step towards Turkey's withdrawal from Nato. The 1978 Turkish-Soviet agreement on The Principles of Good-Neighbourly and Friendly Relations, however, did state that neither nation would allow the use of its territory '. . . for the commission of aggression or subversive actions against the other state. . .', a clause whose literal interpretation would prevent the functioning of US and Nato surveillance bases along Turkey's northern frontier.

The policy of good relations with the Soviet Union has been conducted in tandem with a rapprochement with Moscow's Warsaw Pact allies in the Balkan Peninsula. In 1978, economic relations between Turkey and Bulgaria were placed on a more solid footing through the formation of joint economic committees in the fields of trade, tourism, industry and economics. Following the May 1978 visit of the Turkish Prime Minister, Bulent Ecevit, to Sofia, it was announced that joint Turkish-Bulgarian industrial and agricultural ventures of an unspecified nature would be undertaken in Third World states.

Relations between Romania and Turkey deserve special attention because of the frequently voiced dissatisfaction of both states with their

[8] *Gunaydin* (Istanbul), 4 December 1978.
[9] *Milliyet* (Istanbul), 27 October 1978.

respective alliances. In the past three years, both have attempted to gain recognized status within the yearly conferences of the non-aligned states—but so far with little success. Perhaps the clearest indication of a Turkish-Romanian coincidence of interest in diminishing their respective reliance upon bloc politics came in the Romanian President's explanation, after the Warsaw Pact summit in November 1978, of his country's refusal to increase defence spending at Moscow's request. In a speech for the 60th anniversary of the united Romanian state, on 1 December, Ceausescu said that political relations and the general atmosphere in the Balkans at present provided no cause for special anxiety. Romania wished to develop good relations also with other countries, including those belonging to Nato: 'As a matter of fact, we must frankly state that we have traditional relations of friendship with many of those countries, and that we have always helped each other in the struggle against foreign domination.'[10] In his speech to the Romanian Central Committee on 29 November, Ceausescu singled out Turkey and Greece as states whose regional policy offered no security threat to Romania.[11]

Future prospects

The dramatic reorientation associated with the regionalization of Turkey's economic and political relations can be evaluated from various perspectives. The most fruitful is within the announced framework of ensuring Turkey's increased freedom through improved relations with the four key geographical areas in its immediate vicinity: the Balkans, the Middle East, the Eastern Mediterranean and Europe. In three of these, Turkey has made great strides since the 1973–4 West European recession and the 1975 US arms embargo, but in the fourth, little progress is evident. Indeed, the prospects for improved economic ties between the West and Turkey appear as dim today as they did during the above-mentioned 1978 meeting at the Deutsche Bank in Munich. Almost exactly a year after that meeting, the Research Department of the US Federal Reserve Bank of San Francisco issued an equally gloomy report which once again catalogued Turkey's chronic ills. The Report noted that last year Turkey

> went to the IMF, and likewise to the OECD (Organization for Economic Co-operation and Development) to refinance its foreign debt. The IMF, as expected, imposed conditions. The Turks accepted the loans; as to the conditions, they promised compliance in the near future. The IMF claims the Turks did not fulfil their promises

[10] BBC, *Summary of World Broadcasts*, Part 2, 4 December, EE/5985/C8. See also Robert R. King, 'Romania's struggle for an autonomous foreign policy', *The World Today*, August 1979.

[11] *ibid.*, 1 December, EE/5983/A2/4.

> adequately, and has refused to provide the latest major instalment . . . unless the Turks offer financial commitments in advance. The Turks refuse to do so, and there the deadlock stands.
>
> As Premier Ecevit's ruling Turkish Government coalition apparently sees the situation, the IMF conditions require higher unemployment, higher prices for public services, lower standards of living, retardation of measured growth, higher interest rates and lower imports—in short, stagflation. These, it fears, could lead to great unrest.[12]

On 1 June 1979, *Le Monde* announced that a meeting of OECD experts in Paris had pledged nearly $1·5 billion to Turkey, but under the same condition—'"as soon as possible" following the signing of a new agreement between the Ankara Government and the International Monetary Fund.'

Here, in a nutshell, lies the problem. Continuation of Turkey's close relations with the West implies, at least in the short run, serious risks of economic and social unrest which may place the very existence of Turkey's modernization drive in question. Such an 'imposed' economic solution also violates the main objective in Turkey's current foreign policy: enhanced freedom in its international relations.

One can expect that further efforts will be made to improve Turkish-Western relations, and that statements pledging Ankara's fidelity to its Western allies and commitments will continue. Yet it becomes questionable how long Ankara can balance Western demands and failure to deliver the goods with the tangible successes of its regional politics. In short, Turkey's future may be determined more by default, in both senses of that word, than by design. In a curious fashion, the contemporary scene is reminiscent of that obtaining in the immediate post-war period. Then, Turkey's efforts to maintain a balanced posture towards its four geographically adjacent regions floundered on the outright hostility of the Soviet Union and its Balkan clients. Today, it is the West which causes the difficulties, a fact which becomes more evident with each failure to solve outstanding problems. The growing awareness that the West no longer possesses the ability or the inclination to ameliorate Turkey's condition without a major restructuring of its economy makes the option of a deliberate regionalization of Turkey's political and economic policies increasingly attractive for Ankara.

[12] 'A Sick Man of Europe', *Research Department, Federal Reserve Bank of San Francisco*, 16 March 1979, pp. 2–3.

The politics of the World Council of Churches

K. F. CVIIC

COMPARED with the individual churches which make up its membership, the World Council of Churches (WCC) is young. It was set up in Amsterdam only 31 years ago, in August 1948, to promote Christian unity. Nevertheless, it is getting considerably more international attention and publicity than most of its 295 member churches representing a flock of 400 million. (The largest world church, the Roman Catholic Church with its 700 million members, does not belong to the WCC.) Statements by senior WCC leaders, such as its General Secretary, Dr Philip Potter, are widely reported and carefully scrutinized. Many press and other observers attend the annual meetings of the WCC's main policy-making body, the Central Committee, and prominent politicians seem keen to address WCC assemblies. In June 1977, when a WCC meeting in Geneva was discussing the role of multinational corporations, one of the biggest of them, Shell, sent a senior executive from London to put the company's case. Such a mark of attention from the world of big business for a bunch of church people with no special status or power may seem strange, but in a world dominated by the mass media it is clearly important to be seen to have justice and right on one's side. It is here, in their role as moral validators of political, economic and military deeds of the secular world, that lies much of the importance of the churches, and so also that of the World Council of Churches.

Grants to guerrillas

The WCC's actions have a way of generating controversy. This was particularly true of its decision, in August 1978, to give a £43,000 grant from the Special Fund of the WCC Programme to Combat Racism to Mr Robert Mugabe's Patriotic Front in Rhodesia Zimbabwe. Grants to African guerrilla organizations had been made by the WCC since 1970. But last year's was announced at a time when hundreds of civilians—both black and white and including Christian missionaries—were being killed in the armed conflict in Rhodesia Zimbabwe in which the Patriotic Front was (and still is) a major protagonist.

What made the case even more controversial was the fact that no

Mr Cviic, *The Economist's* East European affairs specialist, has reported on the activities of the World Council of Churches for a number of years and attended the last meeting of its Central Committee in Kingston, Jamaica, in January 1979.

WCC grant was given to Bishop Abel Muzorewa's African National Council (ANC), previously a regular recipient of such grants. The formal justification for this was that the ANC had, in April 1978, joined the Rhodesian Government under the terms of the so-called internal settlement. This, it was claimed at the WCC headquarters in Geneva, disqualified the Bishop and his allies from the grant, just as the Front for the Liberation of Mozambique (Frelimo) had lost its grant once it had taken over the government of that country following the defeat of the Portuguese in 1974–5. The real reason, as a WCC background document on 31 August 1978 made clear, was that, in the WCC's view, Bishop Muzorewa and his allies now belonged to a 'white-dominated Government'. Another WCC document prepared for the Kingston meeting of the Central Committee in January 1979 stated that the internal settlement in Rhodesia Zimbabwe did not amount to a genuine transfer of power to the black majority in the country. (This attitude has not changed despite the democratic election of a predominantly black government in Rhodesia Zimbabwe last April.) In September 1978, the WCC Executive Committee endorsed the Patriotic Front grant (it had originally been authorized by WCC officers) and made another of £62,500 to a militant opponent of a negotiated compromise solution in Namibia (South West Africa), Mr Sam Nujoma's Swapo guerrilla movement.

Both grants were said to be 'for humanitarian purposes', but this fine distinction did not stop a strong reaction to them in a number of churches. The Irish Presbyterians and the Salvation Army suspended their membership of the WCC, and several other churches indicated that they were considering doing so. On 19 October, the Evangelical (Lutheran) Church in West Germany (EKD) passed a strongly worded resolution that noted the 'serious misgivings among its members over grants to armed liberation movements'. The resolution asked the WCC to 'take appropriate measures to ensure that the programme and organization of the Special Fund of the WCC's Programme to Combat Racism be modified to take account of the serious objections to its present policy and practice regarding the allocation of funds'. A memorandum of 6 November, which was also sent to Geneva by the EKD, stressed that 'racism has many faces and is found everywhere'; it warned against 'linking the Programme with a one-sided appraisal of the international political situation' and allowing staff in Geneva to disregard the serious doubts of many church people about the acceptability of armed violence in pursuit of Christian ideals. The General Synod of the Church of England also passed a critical motion in November and, as an expression of its concern, decided to send a delegation to Geneva.[1]

These and other critical views were further aired at the WCC Central Committee meeting which took place in Kingston from 1 to 11 January

[1] *Church Times*, 17 November 1978.

1979. In his report to the committee, Dr Potter said that the debate had been 'mainly in certain Western countries which are most heavily involved in maintaining the racist systems in Southern Africa'. In conversations with representatives of the media and at press conferences, WCC leaders complained that the guerrilla grants had been inflated out of all proportion to their real significance and reminded the critics of the much larger amounts of money the WCC was disbursing at the same time through church relief agencies in Rhodesia Zimbabwe. There were some sharp clashes among the delegates themselves, with the Africans calling some of the whites 'racist'. However, the critics did make a little headway. The Central Committee endorsed the whole Programme to Combat Racism, but it also agreed that it should be reviewed by a representative body. At the same time, to counter complaints that the costs of administering the Special Fund were being borne by people who did not subscribe to it, it was announced that a special 10 per cent surcharge would be asked of all contributors to cover the Fund's administration which had hitherto been paid out of the WCC's budget.

Reasons for radicalization

How did the World Council, originally no more than a vehicle for church unity, become so deeply involved in contemporary politics? In the first place, the unity of Christians has proved to be an elusive aim. Then, there has been a change in the composition of the World Council's membership. Of the 146 churches which founded the WCC in 1948, the majority were European and North American, with only 30 from the Third World. Today the bulk of the membership comes from outside Europe and North America, where political and economic questions loom particularly large while the theological tradition is very young. Another important reason for the WCC's political commitment was probably the radicalization of a segment of the white church membership in North America in the stormy late 1960s, when the United States was engaged in an unpopular war in Vietnam and at home the civil rights struggle by the nation's blacks was at its height. It was the WCC assembly in Uppsala, Sweden, in July 1968 that gave the green light for the opening of an international struggle against racism, especially white racism as practised in southern Africa. The black American author, James Baldwin, who addressed the assembly in place of the murdered Martin Luther King, produced a tremendous impact when he said: 'I address you as one of God's creatures whom the Christian Church has most betrayed.'[2] Less than a year later the WCC had embarked on its own 'prophetic' action by setting up a programme to fight racism, with an annual budget of $150,000, and a special fund for providing aid to organizations

[2] Darril Hudson, *The World Council of Churches in International Affairs* (Leighton Buzzard, Beds.: The Faith Press for RIIA, 1977), p. 101.

combating racism. But how—violently or non-violently? In January 1971, the Central Committee at its meeting in Addis Ababa addressed itself to the question of violence and produced this rather ambiguous statement:

> It [the Central Committee] believes that the churches must always stand for the liberation of the oppressed and of victims of violent measures which deny basic human rights. It calls attention to the fact that violence is in many cases inherent in the maintenance of the status quo. Nevertheless, the WCC does and cannot identify itself completely with any political movement, nor does it pass judgement on those victims of racism who are driven to violence as the only way left open to them to redress grievances and so open the way for a new and more just social order.[3]

To provide a theological basis for this new church activism, the Christian concept of salvation was re-interpreted in a new way, as for example at a conference in Bangkok in 1973:

> The salvation which Christ brought, and in which we participate, offers a comprehensive wholeness in this divided life. We understand salvation as newness of life—the unfolding of true humanity in the fulness of God (Col. 2:9). It is salvation of the soul and the body, of the individual and society, mankind and 'the groaning creation' (Rom. 8:19). As evil works both in personal life and in exploitative social structures which humiliate humankind, so God's justice manifests itself both in the justification of the sinner and in social and political justice... Therefore we see the struggle for economic justice, political freedom and cultural renewal as elements in the total liberation of the world through the mission of God.[4]

The Bangkok document goes on to define the forms of captivity, oppression and injustice that the world is to be liberated from as 'economic exploitation, political authoritarianism, sexism and, above all, racialism.' Nothing is said here about the next world, the traditional concern of Christians. Why? Professor Martin of the London School of Economics is probably right when he attributes this change in the order of Christian priorities to the loss of faith:

> Once theologians are deprived of faith they turn to hope, and hope frustrated converts to politics—or back to classic Augustinian realism.

[3] Quoted in *The Church of England and the World Council of Churches: the record of an official visit by members of the Church of England to the headquarters of the World Council of Churches in March 1979* (London: Church Information Office for General Synod, 1979), p. 26.

[4] World Council of Churches, *Bangkok Assembly 1973: Minutes and Report of the Assembly of the Commission on World Mission and Evangelism*, pp. 88–9.

> **When God ceases to be transcendent he is re-embodied in the community and the future, more especially the community which marches forward into the future. Jesus becomes the teacher of this community and is recast either as a hippy preacher or as a zealous revolutionary sympathiser. Or else Moses takes over, and rings the liberation bell, to lead the oppressed to the Promised Land. God participates in history at first obscurely, and then achieves full revelation in the face of the Risen and Glorified People.[5]**

This re-interpretation of the traditional Christian ideas of sin, justification and salvation has not passed unchallenged. A number of European and American theologians have attacked the new teaching as unbiblical and accused its advocates of surrender to contemporary secular ideologies.[6] But within the World Council of Churches, such criticisms are rejected as misguided or even hostile and a sign of total failure to understand what the WCC means by Christian witness in the world today. One of the forms of this witness is, in the WCC's view, precisely the giving of grants. As the criteria laid down in 1976 for the guidance of those operating the Special Fund put it:

> ... (2) The proceeds of the Fund shall be used to support organizations that combat racism, rather than welfare organizations that alleviate the effects of racism and which would normally be eligible for support from other units of the World Council of Churches.[7]

Further down, the guidelines make it clear that grants are intended as an expression of commitment by the Programme to Combat Racism to the cause of economic, social and political justice which these organizations promote. It is precisely because of the political nature of the commitment that the grants were not limited to church organizations right from the beginning. As a sign of trust, they are made with no strings attached and no provision for checking the way they are used.

This display of political activism has now landed the WCC in a complicated situation. In Rhodesia Zimbabwe at any rate, it is making essentially political judgements in a struggle that is no longer one between the blacks and their white oppressors but between rival black political and military groups fighting for supremacy. And it is lending its support to the side wedded to revolutionary action rather than conciliation and compromise. The fact that the WCC's judgement closely parallels that of the Carter Administration in the United States and the former Labour

[5] David Martin, 'Revs and Revolutions', *Encounter*, January 1979, p. 15.

[6] See particularly the excellent volume *Ideologien—Herausforderung an den Glauben* (Bad Liebenzell, West Germany: Verlag der Liebenzeller Mission, 1979), edited by the Tübingen theologian, Professor Peter Beyerhaus. The WCC's relationship with modern ideologies is perceptively analysed in a separate paper by the Dutch writer, J. A. Emerson Vermaat.

[7] *The Church of England and the World Council of Churches*, *op. cit.*, p. 27.

Government in Britain underlines its essentially political and secular character and its pursuit of Realpolitik.

Double standards

The World Council's deep and passionate involvement in political struggles where it feels it can identify racism (especially white racism), imperialism and capitalism as the enemy is in stark contrast to its marked reluctance to make critical pronouncements about the nature and policies of Communist regimes. The WCC's programmes for the liberation of the Third World from Western dominance and 'capitalist exploitation' are not matched by similar programmes for the liberation of Eastern Europe from Soviet dominance, for example. The World Council does not, in contrast to its stance in South Africa, preach trade boycotts, withdrawal of investments and similar measures against Communist regimes which are denying human rights to their subjects, including the right to national self-determination. Surprisingly for a religious body, the WCC does not even run a programme to combat the atheist indoctrination of Christian believers in countries such as the Soviet Union or Czechoslovakia. On the contrary, when prominent WCC figures visit Communist countries, they confine themselves only to the friendliest of public statements. During his visit to Czechoslovakia last November, for instance, Dr Potter declared the following on Czechoslovak Radio:

> We have learned through the experience of our brethren in the socialist countries that our own churches, influenced by social structures of our countries, often took side with oppressors. I have understood during my visit to Czechoslovakia, and also during my earlier visits to other socialist countries, that the Christians there are participating in the construction of a just society, although they do not profess scientific socialism.[8]

Incredibly, this is offered as a comment on a country where many Christians (and not only Christians) are subjected to particularly heavy persecution and harassment.

World Council leaders claim that they make private representations on behalf of persecuted individuals, which are not publicized, because this is a more effective way of rendering help. It remains that, in contrast to its militancy and near-extremism in other parts of the world, the WCC is a model of discretion in regard to Eastern Europe where it appears gradualist, meliorist, conciliatory. Indeed, not until the end of 1975 was the issue of religious freedom allowed to be discussed publicly at the WCC Assembly in Nairobi. It took another three years before a human rights advisory group (HRAG) could be formed—and even then not as

[8] BBC, *Summary of World Broadcasts*, Part 2, EE 5974, 21 November 1978, A/1/1.

a proper WCC body but as an associated organization under the joint responsibility of the European, Canadian and American churches. The group, according to a report presented to the Central Committee meeting in Jamaica last January, was not able to meet in 1978, nor was there much prospect of it doing so in 1979. This is not, as Communists would say, an accident. There is a very important built-in barrier to WCC expansion into the human rights field in Communist countries.

The problem is that if the World Council were to attempt such a policy and, for example, openly criticize Czechoslovakia for its non-observance of religious freedom, or Russia for what it does to its dissidents, then the Czechoslovak or the Soviet regime might simply forbid their churches to take any further part in WCC work. This, of course, would be a blow to the World Council and its claim to ecumenical universality. It would be even more of a blow to the churches themselves which would once again find themselves driven into a spiritually impoverishing isolation. But that is not all. The churches from the East are not allowed to be in the WCC merely as passive, politically neutral spectators. They are expected by their governments to play a political role in line with these governments' policies by, for example, blocking or sabotaging anything that a government might consider harmful to its interests —including any mention of its illiberal religious policy. Thus, we have the paradox of a traditionally non-activist Russian Orthodox Church using the platform of the World Council of Churches to support various essentially anti-Western policies in Asia, Africa and elsewhere. But as soon as anybody raises the issue of human rights in the Soviet Union, that Church will fight tooth and nail to have the discussion suppressed, usually on the grounds that the problem 'does not exist'.

WCC leaders have learnt to live with this double-standard policy—a lot of stick for the wicked imperialists and capitalists and kid-glove treatment for the Communist governments. This is sometimes justified by the specious argument that harsher standards must be applied to governments such as the South African which call themselves Christian than to officially atheist powers that know no better. In this operation of the double standard, the WCC is quite as bad as the United Nations and may at times seem worse because of its spiritual credentials.

Could the situation change between now and the time of the next WCC Assembly in Vancouver in 1983 (these assemblies are held every seven or eight years to determine the WCC's future strategy)? It is true that some member churches in the West which are profoundly unhappy with the policies of the World Council could use their financial power to effect a change. In 1979 the WCC's general budget amounts to £8·7 million. Of this, £1·7 million (roughly a fifth) comes from central church treasuries, with 38 per cent supplied by the West German churches and 34 per cent by the American churches. The rest comes from missionary

societies and service agencies affiliated to the churches and from governments (the five at present contributing to WCC funds are Sweden, Holland, Canada, Norway and Denmark). But it is hard to see the churches using their financial power to force a change of direction in the WCC. This would expose them to charges of behaving like racists and imperialists. Equally, no member church of the World Council is anxious to leave the organization and thus deprive itself of the ecumenical fellowship that membership provides. Things are thus likely to go on as before. Geneva is far away for many of the churches and so the WCC permanent staff of some 260 people has a pretty free hand. This is even more true of the General Secretary. It is just possible that the threat of diminished contributions to the WCC from disgruntled home congregations might impose more moderation on Geneva, but it is unlikely. In fact, the next few years will probably see the strengthening of the present strongly left-wing tendency, especially as the Russian Orthodox and other churches from Communist-ruled countries are taking up more posts in Geneva. (A Bulgarian Orthodox theologian, Professor Todor Sabev, was appointed Deputy General Secretary of the WCC earlier this year.) In this situation the anti-Western, anti-capitalist voice of the World Council of Churches will very likely become shriller still.

But a threat to the WCC may come from another direction. The present rapid growth of world confessional families—such as the World Lutheran Federation or the Anglican Communion—may push the WCC into the background. For their normal religious and church activities and for ecumenical contacts with other churches these confessional families do not need the World Council. Some of them do a great deal of charity and relief work in parts of the world such as Africa and do so more efficiently and less controversially than the WCC. If this trend continues, the World Council of Churches may eventually see its importance reduced to that of an articulate pressure group for the Third World.

A new political order for Sri Lanka[1]

JAMES MANOR

On 7 September 1978, a new Constitution came into force in Sri Lanka which substantially altered the island's political process. The new political order which is emerging draws heavily upon the experience of the Fifth French Republic and represents an experiment which is unique among the developing nations. The new Constitution seeks to balance libertarian and democratic provisions against the need for more forceful, authoritative leadership. But this balance will be difficult to maintain, given the political and economic forces at work in Sri Lanka and the partisan manner in which the new system has been adopted. The new order may endure and enable the Ceylonese to cope more adequately with long-standing difficulties, but it is also quite possible that it will hasten the destruction of the stability and the liberal values which it seeks to preserve.

Provisions of the new Constitution

There is much in this, Sri Lanka's third Constitution since independence, to please libertarians. Fundamental rights, which are specified for the first time, include freedom of thought, conscience and religion and freedom from torture or degrading treatment. Individuals are not to suffer discrimination on grounds of race, religion, caste, sex or place of birth. They are granted equality before the law and assured of freedom from arbitrary arrest, detention and punishment. They are given the freedom of speech, of movement, of peaceful assembly and association and the freedom to form or join a trade union. These rights are not only enunciated but also made justiciable through appeal to the Supreme Court, even in cases where violations of rights have not yet occurred but seem imminent.

Some of these and other clauses in the document—such as the freedoms of thought, conscience and religion and the immunity from torture—can be changed only by referendum which is itself an innovation of the

[1] The conclusions in this essay are based upon 20 weeks research in Sri Lanka in 1977 and 1978 and upon interviews with Cabinet ministers, Opposition leaders and political analysts. The author is grateful to the British Academy, the Nuffield Foundation and the Research Board, University of Leicester, for their support.

Dr Manor is Lecturer in Politics at the University of Leicester and the author of *Political Change in an Indian State: Mysore 1917–1955* (Canberra, New Delhi and London, 1977).

Constitution. Without approval by referendum, the term of office of a President and the lifetime of a Parliament cannot be extended beyond their normal span. This is an attempt to prevent actions such as happened under the previous government, led by Mrs Sirimavo Bandaranaike. So are the strengthening of the independence of the judiciary and the stipulation that a state of emergency cannot be extended beyond 90 days without approval by a two-thirds majority in Parliament.

The Constitution also makes substantial and unprecedented concessions to the island's Tamil-speaking minority. A person cannot be discriminated against on grounds of language and Tamil is declared to be a national language alongside Sinhala. Sinhala remains the only official language, but meaningful provision is made for the official use of Tamil in Tamil-majority areas. In major concessions to the many Tamils of Indian origin who have come to the island to work on the tea estates, the Constitution grants stateless persons many (though not all) of the civil rights enjoyed by citizens of Sri Lanka and abolishes the distinction between citizens by descent and citizens by registration.[2]

But the new Constitution also contains several illiberal provisions, so that what it has bestowed with one hand often seems to be snatched away by the other. Some fundamental rights are subject to restriction by law in the interests of national security and a number of others in the interests of national economy. The latter category admits an especially broad interpretation and has caused great concern among the opposition and trade unionists. Remarkably, all pre-existing laws and punishments are declared valid even if they are inconsistent with fundamental rights. The result is not only to permit the continued use of, for example, lashing as a punishment but also to permit the extension of this punishment to cover any other offence. To reassure potential investors in this Democratic Socialist Republic's laissez-faire zones for capitalist development, the Constitution allows treaties with foreign governments to have the force of law and to be immune from legislative or executive contravention, even if the treaty violates fundamental rights or other elements of the Constitution. Parliament may make laws having retrospective effect and providing for retrospective punishment against a person found guilty by a Presidential Commission of Enquiry, despite an assurance as a fundamental right against trial under retrospective legislation.[3]

The Constitution's other two major innovations are the introduction of proportional representation for parliamentary and local elections and the creation of a strong executive Presidency. This will be discussed in

[2] In response to these measures, the leader of the Tamil estate workers' party and their only representative in Parliament has accepted a post in the Cabinet. *Constitution of the Democratic Socialist Republic of Sri Lanka* (Colombo, 1978); *Ceylon Daily News*, 8 September 1978, and *The Sun* (Colombo), 4 and 8 September 1978.

[3] *Constitution . . ., op. cit.*, and *Tribune* (Colombo), 19 August 1978.

detail presently, but the main features can be set forth here. With proportional representation, it will be difficult though not impossible for a single party to gain a majority in Parliament. In order to win seats, a party must obtain 12·5 per cent of the vote in one of several electoral districts. Many will fail to qualify, so that a party which polls about 45 per cent of the total vote is likely to win a majority of seats. It *will* be impossible for a party to win a large parliamentary majority, since no single party has ever won more than 51·2 per cent of the vote. Because a two-thirds majority in Parliament is required to amend or repeal the Constitution, the new system appears safe from major legislative change after the present Parliament in which the ruling party—elected under the old system—holds over 85 per cent of the seats. By-elections have been abolished. If a legislator vacates a seat, his party nominates a successor.

The Constitution provides for an executive President to be directly elected by the people for a six-year term. He (or in Sri Lanka, quite possibly, she) can be re-elected only once. The President is less closely linked to Parliament than is the British Prime Minister, but he is also less free from involvement with Parliament than is the French or American President. His term of office is longer than the life of a Parliament, so the parliamentary and presidential elections will probably occur at different times. He is empowered to select, dismiss, reconstitute and guide the Cabinet (of which he is the head), and to supervise directly government departments of his choice. He can prorogue or dissolve Parliament, declare a state of emergency and call for a referendum. The President is, in practice, largely free of the jurisdiction of the courts. None the less, he is said to be responsible to Parliament,[4] a provision which raises problems to be discussed presently.

Aims of the new order

The two overriding aims of the new system are, first, to develop a broad national consensus, for which the adoption of proportional representation is crucial, and, second, to provide forceful leadership on behalf of that consensus through the strong executive Presidency.

The attempt at a broad consensus seeks to overcome two serious social and political divisions. The first is that which separates the Tamil minority (21·6 per cent of a population of over 13 million) from the Sinhalese majority (71·0 per cent). Antipathy between these groups has afflicted public life in Sri Lanka for decades and has led to serious communal violence on several occasions, most recently in August 1977. The mistreatment of Tamils—especially by Mrs Bandaranaike's government between 1970 and 1977 which used police as a virtual army of occupation

[4] Interviews in Colombo with Lalith Athulathmudali, Minister for Trade, 21 September 1978, and President J. R. Jayewardene, 11 September 1978; *Constitution . . ., op. cit.*, and *Tribune*, 19 August 1978.

in Tamil-majority areas—has generated considerable support for separatism among the Tamil minority, particularly among the youth of the predominantly Tamil Northern Province.

The Westminster-style first-past-the-post electoral system which was in use up to 1977 tended to intensify this problem. The vast majority of candidates for Parliament faced electorates which were composed overwhelmingly of one linguistic group. There was therefore little incentive for candidates to preach tolerance or to appeal for support from both Tamils and Sinhalese. Because the electoral system awarded control of Parliament to whichever party could win a majority of Sinhalese seats, it naturally encouraged the parties to vie with one another to prove their credentials as champions of the majority group. This in turn led to the rise of paranoid communal parties in Tamil-majority areas. These Tamil parties in Parliament were destined to remain fringe groups without influence, however, because the relatively modest swings in the popular vote in Sinhalese areas were magnified—often grotesquely—by the first-past-the-post system to produce solid majorities for the more popular Sinhalese party. The old electoral system thus fed communal suspicion.

The introduction of proportional representation means that votes from Tamil areas will count in the national result for the first time since communalism emerged as a major force in the late 1950s. The major parties, which have competed for the Sinhalese vote, will now have to court Tamil voters as well. A campaign on Sinhalese-chauvinist lines will risk defeat at the hands of a coalition of Tamils and a large minority of Sinhalese. If Tamil voters continue to support exclusively Tamil parties, their MPs are very likely to hold the balance of power in Parliament. The new system for parliamentary elections is thus designed to foster a national consensus which will include both linguistic groups.

It is also intended to provide a second type of national consensus, one which will be built round a coalition of the centre. President J. R. Jayewardene, like many African leaders, has come to believe that a multi-party system operating on the basis of first-past-the-post is too divisive to suit the needs of a developing nation. But he realizes that Sri Lanka's many political parties have developed such firm followings that it would be senseless to adopt the kind of one-party system which has so often been installed in Africa, and which he views as potentially undemocratic. He has therefore chosen to abandon the first-past-the-post method in favour of proportional representation. As the West Germans have learned, this impels parties either to win a majority of votes outright—which necessarily entails an appeal to centrist voters—or to form centre-left or centre-right multi-party partnerships. As Britain's Liberals claim, this will lead to moderate government and will curtail sharp changes of policy when changes of government occur.

President Jayewardene is the leader of the centre-right United

National Party (UNP) which has governed the island since its landslide victory in mid-1977. It is no accident that proportional representation will make it very difficult for parties of the left and centre-left to form a government as they have done on three previous occasions. This is not to say that the new system is wholly injurious to the left. Had it been in use in 1977, there would now be three Marxist MPs instead of none. But the change will almost certainly relegate the Marxists to permanent and marginal opposition. The President has plainly stated that he seeks a permanent centre-right coalition[5] and his long-range aim is to persuade moderate elements from the other major party, Mrs Bandaranaike's centre-left Sri Lanka Freedom Party (SLFP), to combine with his UNP in such a consensus. His overtures to SLFP moderates have focused upon Anura Bandaranaike, Mrs Bandaranaike's son, who is thought to be less radical than his mother and sister. Jayewardene offered Anura bipartisan support even before 1977, and, after the SLFP defeat in that year, a secret offer of the foreign affairs portfolio was made to Mrs Bandaranaike but rejected. Despite the defection of one MP and numerous party workers from the SLFP, this strategy has as yet borne little fruit—partly because of the fierce opposition of many of the President's leading party colleagues who fear Anura as a rival. But the President retains his desire for a coalition of the centre and the introduction of proportional representation will aid him in this.

The hope for such a coalition has also influenced the method by which future Presidents will be elected. (Jayewardene was elected by Parliament.) When more than two candidates stand, voters will state their second—and when more than three run, their third—choices on the ballots. If no candidate gains a majority of first preferences, all but the leading two candidates are eliminated and the second or third preferences of those who backed the excluded candidates are added to the tallies of the leading pair. The candidate with a majority then becomes President. This method was chosen because it forces candidates seeking the great prize of the new political system to cultivate the support of the majority, which must include voters at the centre. Candidates will face pressure to moderate policies both in left-right terms and with regard to linguistic groups, since the Presidency could go to the person who gains the votes—whether first or second preference—of the Tamils.

The second great aim in establishing a powerful Presidency is to provide forceful leadership. The Presidency is modelled on the office which de Gaulle tailored to his needs in 1958 and in Sri Lanka, as in France, the office can be understood only by assessing the personal role of its first incumbent. Like de Gaulle, Jayewardene brought as much personal authority to the Presidency as he gained from the formal powers of office. He did not follow de Gaulle's example and demand undated letters of

[5] Interview with J. R. Jayewardene, Colombo, 11 September 1978.

resignation from his ministers before they took office. But he reminded them of their subordinate position by refusing to reveal the ministry allotted to them until seconds before each was to be sworn in, when it was too late for protests or intrigues. In dealing with all but a few of the more powerful or intelligent of these men, the President and his inner circle of advisers have tended to by-pass ministers and work directly through their leading civil servants.

This personal dimension in the decline of the power of Cabinet ministers is reinforced by institutional changes. The creation of a circle of ministers at the district (i.e., 'county') level has caused modest powers to flow downward out of the hands of Cabinet ministers to their colleagues (and rivals) in the districts. The centralization of power in the hands of the President has been accompanied, then, by a decentralization of power within the political system. On both counts, it is at Cabinet level, where under previous constitutions power was highly concentrated,[6] that the loss of power has been felt. By centralizing power in his own hands while causing a wide diffusion of the remaining power to lower levels of the political system, the President has added enormously to the relative authority of his office.

Jayewardene and his closest advisers believe that this centralization is essential. In part, it will compensate for a possible loss of decisiveness in future Parliaments where the introduction of proportional representation will make single-party majorities rather less likely. But more crucial is the new President's belief that an underdeveloped nation today needs powerful central leadership to overcome social divisions and, more especially, to promote rapid economic development.[7] Jayewardene seeks the kind of economic breakthrough which Singapore, South Korea, Hong Kong and Taiwan have managed without resorting to the undemocratic systems which prevail in those places. In designing this new order, he is operating on the unproven hypothesis that rapid economic development in Asia need not swallow up the basic elements of a liberal society.

Threats to the new order

This is a decidedly precarious gamble. There is reason to fear that the stresses which lie ahead will cause the new system either to drift towards authoritarianism or to collapse.

To endure, a Constitution needs to be accepted as a neutral document, free of provisions inspired by partisan motives. Such acceptance is in short supply among opposition groups to the left of the ruling party. They view the failure of the Constitution to permit multi-party alliances

[6] J. Manor, 'The failure of political integration in Sri Lanka', *Journal of Commonwealth and Comparative Politics*, vol. XVII, no. 1 (March 1979), pp. 21–46.

[7] Interviews in Colombo with Lalith Athulathmudali, 21 September 1978, and J. R. Jayewardene, 11 September 1978.

contest elections as a partisan outrage since the SLFP and Marxist
irties have scored their greatest successes by forging such alliances.
ecause their alliances have never polled a majority of the votes, these
irties see the adoption of proportional representation as an attempt to
clude them from power,[8] especially since Tamil votes are unlikely to
to the SLFP with its tradition of Sinhalese chauvinism. They also
elieve that the potentially authoritarian elements of the new Constitu-
on will override the restraints upon their use, particularly against trade
nions which provide a base for the older Marxist parties. Constitutional
iarantees through treaties to foreign private investors naturally raise
eep suspicion among socialists.

These doubts were reinforced by the curiously clandestine way in
hich the government introduced the Constitution. The executive
esidency came into being on 4 February 1978, fully seven months
efore the new Constitution, by way of an amendment to Mrs Bandara-
iike's 1972 Constitution. The government then persuaded her and other
pposition leaders to join a Parliamentary Select Committee to 'revise'
rther the old Constitution, without announcing until May that the
ommittee's purpose was to draw up an entirely new Constitution. Mrs
indaranaike understandably felt duped and heatedly resigned from the
ommittee.[9] This and heckling from the government benches in Parlia-
ent which has sometimes prevented Mrs Bandaranaike from speaking
ive weighed against bipartisan acceptance of the new Constitution. So
ive two early constitutional amendments which were rushed through
irliament. The first, which overruled a Court of Appeal decision that a
ecial commission of enquiry into the previous government was *ultra
res*, raised doubts about the independence of the judiciary. The second,
hich made it possible for MPs to switch parties without losing their
ats as the Constitution had originally stated, was prompted by the
sire of two MPs to defect to the government benches. Both amend-
ents seemed patently partisan.

Such cavalier treatment of the Constitution threatens the long-term
rvival both of the document itself and of the political stability which it
supposed to foster. Many in opposition view the Constitution as so
refully tailored to the needs of J. R. Jayewardene that it should not and
nnot outlive him for long—and he is nearly 73. Oppositionists are un-
iunted by the difficulty of obtaining the two-thirds majority under pro-
rtional representation which they would need to alter the Constitution
gally. They assert privately that such niceties would not stand in their
iy if they returned to power. By first making the rules so difficult to

[8] The threat to them may not be as great as they imagine. The 48·8 per cent
iich their alliance polled in 1970 would have given them a parliamentary ma-
ity under proportional representation, if they had run as a single party.

[9] *Report from the Select Committee on the Revision of the Constitution*, parlia-
entary series no. 14 (Colombo, 1978), p. 169.

change and then exploiting them for partisan ends, the government has invited extraconstitutional attempts at wholesale rejection of the new system.

The succession to President Jayewardene could also pose a threat to the system. The leading contender is the Prime Minister, Mr R. Premadasa, but he is not a member of the *goigama* caste which has hitherto enjoyed pre-eminence by virtue of its wealth, ritual status, achievement in the professions and great numerical strength. To compound this, his main support lies in urban areas, principally in Colombo—a serious disability in a predominantly agrarian country. His opponents within the ruling party might well combine with elements of the opposition, despite its continuing disarray, to oppose him. This could tempt the Premier, who inherits supreme powers if the Presidency is vacated, to take extreme action which could disrupt the delicate balance between libertarian and authoritarian elements in the Constitution.

Even if problems over bipartisan acceptance of the Constitution and the succession to the Presidency were to disappear, others would remain. Provisions which could lead to conflict or deadlock between the Presidency and Parliament appear to have been built, unwittingly, into the Constitution. Tremendous power has been concentrated in the Presidency, by way both of the formal provisions of law and the informal authority of J. R. Jayewardene himself. Despite this, the Constitution states that the President is responsible to Parliament. Yet it makes inadequate provision by which he can be held answerable. Parliament is empowered to remove the President for corrupt, illegal or treasonous acts, but the difficulties in doing so[10] are so great that this offers legislators a remedy which could be used only under the most extraordinary circumstances. This leaves Parliament only one weapon to use against the President, its control of the purse. But because this power is Parliament's sole realistic weapon, it seems almost to invite deadlock. Should a disagreement arise, perhaps between a future Parliament controlled by a party opposed to the President, legislators could refuse appropriations to the executive. The President could then dissolve the House and call for a general election in the hope of winning the voters' sympathy. But if his adversaries regained control in the new Parliament, deadlock could ensue. Framers of the Constitution state that the President would then have to draw back and make concessions.[11] But the massive powers which the Presidency possesses, and the comparative weakness of the Cabinet and Parliament in so many other respects, might not dispose the President to compromise. Parliament's control of the purse appears to lack

[10] This requires a two-thirds vote to charge the President, a Supreme Court verdict, after trial, against him and a further two-thirds vote in Parliament to confirm the verdict.

[11] Interview in Colombo with Lalith Athulathmudali, a major architect of the Constitution, 21 September 1978.

the kind of reinforcement which might be necessary to balance the huge powers of the Presidency.

The political system also faces a threat from Tamil youths engaging in sporadic violence as part of a campaign for a separate state in the northern and eastern portions of the island. They have directed their violence almost exclusively against Tamils whom they see as collaborators with the Sinhalese. They are believed to have murdered 14 policemen and to have narrowly missed killing an MP who had defected from the main Tamil party to the ruling UNP. They have also staged a large number of bombings and bank robberies.[12] The threat which they pose can be contained by security forces which have been greatly strengthened since the abortive leftist insurrection of 1971.[13] And the militants' prospects of winning broad support among the island's Tamil population have steadily receded in recent months as Tamils on the isolated tea estates, in Sinhalese majority areas and even in the predominantly Tamil Eastern Province have warmed to the UNP government.[14] But the government rightly fears that they might produce a violent backlash among Sinhalese. This could severely rend the social fabric and disrupt the delicate political balance which exists under the new Constitution.

Finally, much will hinge upon the government's ambitious attempt at economic recovery. Central to this is a drive to develop agriculture, to reduce the cost of food imports and to provide work for the island's unemployed who number roughly 1·5 million out of a workforce of 5 million. This is linked to an effort to develop Singapore-style manufacturing industries in free-trade zones to ease dependence upon earnings from tea, rubber and coconut. The verdict on this scheme is not yet in. As anticipated, the poor have suffered from inflation and cuts in subsidies on food and other items. These have been made to free funds for investment in development—an IMF model familiar to British readers. These hardships are seen as necessary in the short-term if long-term recovery is to occur.[15]

Uncertainty is most often expressed about the effort to develop manufacturing. Some foreign investors doubt the capacity of Sinhalese society and culture to generate productivity to match Koreans and Chinese, while others fear political instability in the island. Recent advances in micro-

[12] See, for example, *Tribune*, 28 October and 18 November 1978; 3, 10, 17 and 31 March, 21 April and 12 May 1979; *International Herald Tribune*, 11 May 1979.

[13] The overwhelmingly Sinhalese youths who mounted the 1971 insurrection have largely refrained from violence under the Jayewardene government. Many of their leaders were released from prison by the new government and the organization which mounted the revolt has recently operated as a political party within the law. This may be a temporary tactic. Most evidence suggests that Tamil militants have little connexion with radical Sinhalese youths.

[14] See, for example, the Tamil-edited *Tribune*, 11 and 25 November 1978.

[15] Further subsidy cuts, long delayed, will occur in the autumn. Interviews with Lalith Athulathmudali, 21 September 1978; *Tribune*, 18 and 25 November 1978, and *Financial Times*, 16 January 1979.

electronics may already have rendered obsolete the labour-intensive model which carried Singapore to prosperity a generation ago and which Sri Lanka now seeks to employ. Import quotas in the West have forced a curtailment in the production of clothes and other goods. Concern is also voiced about other sectors of the economy. Claims that mismanagement in the tea industry has caused a decline in recent years, particularly in the production of high grade teas, appear to have some substance. Delays in the completion of the massive scheme to exploit the waters of the Mahaweli for irrigation over large areas will retard agricultural development. But hopes remain high on this front because Sri Lanka possesses what some see as crucial prerequisites to such development, a highly literate population and a reasonably equitable distribution of land—the latter, ironically, the work of Mrs Bandaranaike's last government.

Sri Lanka's leaders, in common with their counterparts in other underdeveloped nations, have concluded that our harsh times require more powerful central leadership than any variant on the Westminster model can provide. But they, in common with a substantial portion of their countrymen, still appreciate both the humane benefits and the political uses of a liberal order. In devising a new political system, they have sought to strike a balance between the two. The result, inevitably, is a system with internal inconsistencies. At present, these inconsistencies are delicately balanced. The best hope for the survival of liberal democratic procedures lies in the maintenance of this balance.

It could easily be disrupted. A struggle over the succession to the Presidency or a revival of tension over language and religion might destroy it. And at the intersection of economics and politics, a whole array of problems could arise. The innovations in the new Constitution may retard recovery if they alienate the populace from the government and its crucial drive for agricultural development. Or it may have retained so many liberal democratic elements that it will frighten foreign investors who prefer to risk their capital where governments exercise greater autocratic control. Short-term economic hardships may spark political agitation before long-term gains can be made, increasing pressure for a turn towards authoritarian rule. If recovery begins and new industries flourish, Sri Lanka will have far more to lose economically than it does now. What now seems permissible democratic activity might then seem intolerable threats to public order, as has happened further east in capitalist Asia.

Sri Lanka's leaders are attempting to have it both ways—to maintain major elements of a liberal society while pressing for economic development through forceful central leadership. This is an audacious enterprise which deserves critical sympathy in the West, but the way ahead will not be easy.[16]

[16] The results of local elections in cities and larger towns in May indicate that the Government has not yet lost popularity. The ruling party won control of every local council outside the Tamil-majority areas. *Tribune*, 2 June 1979.

PRINTED IN ENGLAND BY POPPER & COMPANY LTD. WELWYN GARDEN CITY. HERTFORDSHIRE

THE WORLD TODAY

Founded in 1945, THE WORLD TODAY is issued under the auspices of the Royal Institute of International Affairs and published monthly by the Oxford University Press.

ANNUAL SUBSCRIPTION (12 issues a year)
Including postage inland and overseas
UK £7
US $20 (by accelerated surface post)
Elsewhere £9
Single copies 70p ($2) post free

Orders may be sent to booksellers and newsagents or to the Oxford University Press, Press Road, Neasden, London, NW10 0DD Telephone 01-450 8080

The Royal Institute of International Affairs is precluded by the terms of its Royal Charter from expressing an opinion of its own on any aspect of international affairs. Any views expressed in this publication are, therefore, the responsibility of the contributors.

ISSN 0043-9134

THE WORLD TODAY

The Royal Institute of International Affairs

CONTENTS

EDITOR: LILIANA BRISBY

October 1979
Vol. 35. No. 10

Manuscripts and correspondence should be addressed to the Editor, *The World Today*, The Royal Institute of International Affairs, Chatham House, 10 St James's Square, London SW1Y 4LE.

Note of the month

THE NON-ALIGNED SUMMIT IN HAVANA

THE sixth summit of the non-aligned states in Havana from 3 to 9 September was that grouping's largest to date, but also its noisiest and most acrimonious. It comprised 93 full members and nearly 40 official observers and guests, representing over two-thirds of the total United Nations membership. The guests included for the first time Portugal, a Nato member, and Spain. At the first non-aligned conference in Belgrade in 1961 there had been only 25 full participants (10 of them Arab) and three official observers. But the numerically impressive gathering in Havana was marred by bitter ideological and procedural wrangles.

Previous summits, too, had had their controversies and disagreements. Algeria and Morocco, for example, had already clashed over the Western Sahara at the Colombo summit in 1976. However, the real point at issue in Havana was not the local disputes between member states, but the whole future of the non-aligned as an independent force wedded to neither of the two big-power blocks, the Western and the Soviet. The debate at Havana was about what a number of countries saw as an attempt by an outside super-power—the Soviet Union—to gain control of the movement with the aid of an insider—Cuba—at the head of a cluster of hard-line Marxist states within the non-aligned such as Vietnam, South Yemen, Ethiopia, Angola and others. Fears of such a takeover bid had existed for some time, but they turned into something approaching panic when the non-aligned Foreign Ministers, at their conference in Belgrade in July 1978, confirmed the choice of Cuba as the host to this year's summit.[1]

Cuba, a faithful ally of the Soviet Union as well as its economic dependent, could be expected to make full use of the considerable opportunities offered by its role as host of the conference. In a loose, heterogeneous movement, such as the non-aligned one, with no permanent organization and no secretariat, it is the duty of each host country in turn to prepare the summit agenda, to organize the debates at the summit and, most important of all, to draft conference resolutions and other documents. But how did Cuba, which had already aroused the misgivings of a number of states (particularly the African ones) by its military interventions, carried out in close co-operation with the Soviet Union, first in Angola

[1] See K. F. Cviic, 'Non-alignment's dilemmas', *The World Today*, September 1978.

and then in Ethiopia, come to be selected for such a sensitive role? Peru is said to have been the first tentative choice of the non-aligned Foreign Ministers' meeting in Lima in 1975. But when Peru's leader, President Velasco Alvarado, was overthrown, this left a vacuum that had to be filled by another Latin American country (all the five previous summits had been held elsewhere, one in Europe, one in Asia and three in Africa). Cuba stepped into the breach, to the dismay of a number of states.

Yugoslavia took the lead in the campaign mounted since the Belgrade conference in July 1978 to check the growing Cuban (and therefore also Soviet) influence in the movement. For the movement to pass under de facto Soviet control would be a serious blow for Yugoslavia which had made non-alignment one of the most important bases of its foreign policy. It would also be a bitter personal blow for President Tito, the movement's only surviving founder-member. On the other hand, Yugoslavia was anxious to avoid a split of the movement into two; this would leave it inconveniently bracketed with the camp labelled 'conservative' by its 'progressive' opponents, as well as increasing the risk of an open confrontation with the Soviet Union. Yugoslavia's counter-attack, therefore, concentrated on neutralizing and curbing Cuba's influence as chairman and host country, while at the same time avoiding an open break.

Belgrade's diplomatic effort (which was closely matched by a Cuban one) concentrated on three main issues. The first was the attempt by 19 Arab and Moslem countries (warmly applauded by Cuba and the other Marxist states within the grouping) to have Egypt expelled because of its separate peace treaty with Israel. The second issue was the pro-Soviet group's pressure for the recognition at the Havana conference, as Cambodia's sole legal representative, of the Heng Samrin regime, which had been put into power by the Vietnamese after their occupation of Cambodia last January. The Yugoslavs and the other moderates frustrated these attempts at the Colombo Foreign Ministers' conference in June and both issues were left for the Havana summit to decide. The Yugoslavs made it clear that they were not defending the deposed Pol Pot regime in Cambodia as such but the principle of non-interference in internal affairs. Clearly, they see the installation of the Cambodian puppet regime by a pro-Soviet country as a possible precedent for a future Warsaw pact action against Yugoslavia. In this they had the full support of a number of Asian countries. The expulsion of Egypt, a member of the Organization for African Unity (OAU), was prevented mainly by African states.

The third and most important battle before Havana was over the Cuban draft of the conference documents. The Yugoslavs and their supporters accused Cuba of trying to 're-write' non-alignment in the spirit of Lenin's thesis of the natural identity of interest between Soviet 'socialism' and the colonial peoples of Africa and Asia struggling for their independence. Yugoslavia and India submitted a large number of

amendments to what they considered an unacceptably one-sided pro-Soviet Cuban draft, whose main thesis was that today the non-aligned are the 'reserve' and 'natural allies' of the Soviet block.

But the expected gladiatorial contest between Tito, the guardian of the traditional concept of non-alignment, and Cuba's leader, Fidel Castro, as his pro-Soviet challenger, did not materialize. In his powerful and effective opening speech, President Castro dismissed the idea that Cuba was 'trying to turn non-alignment into an instrument of Soviet policy'. He bitterly attacked 'Yankee imperialism' and all its allies among whom he numbered China. He also condemned the Camp David accords as a 'flagrant betrayal of the Arab cause' by Egypt.[2] But to the disappointment of many moderates, Tito refused to take up Castro's challenge. Instead, he stuck to his prepared speech—a lofty, almost philosophical summary of the principles of non-alignment which mentioned no names and confined itself to calls to member countries to resist the influence of 'block interests' and 'all forms of political and economic hegemonism'.[3] Other speakers, including President Nyerere of Tanzania, were more blunt, and a number of moderate countries voiced their dissatisfaction with Cuban attempts to rig the debates and isolate certain delegations. A group of 20 Foreign Ministers signed an official complaint to their Cuban colleague. Senegal's Foreign Minister said that at Havana 'the silent majority had been reduced to silence'.

In the end the formal split which had been predicted by some was averted. But the issues which very nearly led to it remain unresolved. An ad hoc committee is to study the question of Cambodia's seating and make its recommendation to the next Foreign Ministers' conference in Delhi in 1981 which will be concerned with the preparations for the non-aligned summit in Iraq in 1982. Meanwhile Cambodia's chair remains empty. This solution displeased the Yugoslavs and many other moderates (who, however, had their revenge at the end of September when the United Nations General Assembly voted by a large majority to uphold the Pol Pot regime's right to go on representing Cambodia in the United Nations). The issue of Egypt's membership was also left open till 1981, but with Egypt very much condemned and put on probation—another relative setback for the moderates.

But President Tito could claim with some justification on his return to Yugoslavia that the more than 100-pages-long final declaration agreed in Havana was the most explicit statement of the principles of non-alignment since that adopted in Belgrade in 1961.[4] The final draft does indeed differ strikingly from the original Cuban text. Of course, even this new version will hardly please Western readers. The Havana document

[2] BBC special supplement to monitoring report, V/6211, 5 September 1979.
[3] *Borba*, 5 September.
[4] See *Komunist* (Belgrade), 14 September 1979.

hammers 'imperialism' mercilessly and even goes so far as to condemn the exploitation of the human rights and refugee issues for political ends—an obvious anti-Western crack. 'Zionism' is classified—and condemned—as a form of 'racism', but nothing is said about Israel's right to exist. A separate economic declaration also adopted at Havana condemns 'market-oriented developed countries'. Not surprisingly, *Pravda*, on 16 September, welcomed the document as one that had caused 'dismay and perplexity' in the 'imperialist' camp (but the Soviet paper erred when it included *The Times*, not published since 30 November 1978, among 'bourgeois organs' which had sought to 'slander and blacken' the non-aligned movement and the host-country, Cuba).

Nevertheless, the Yugoslavs and their friends did succeed in inserting into the final list of the movement's 15 principles and 17 aims references to the need to struggle against not only imperialism and colonialism but also 'all other forms of foreign aggression, occupation, domination, interference or hegemony' (this last is, in intra-Communist polemics, a code-word for Soviet imperialism). The original Cuban references to the Soviet block and the non-aligned movement being 'natural allies' no longer figure in the final version which, owing to the efforts of the moderates, now bristles with references to the need for the non-aligned to remain non-aligned.

But if Yugoslavia and the other moderates did well in the battle of the documents at Havana, the fact remains that for the next three years Cuba will be the movement's keeper. In its role as the non-aligned's chairman, Cuba will be greatly helped by the fact that its Marxist allies within the grouping, though a minority, are organized and disciplined. In contrast, the 'silent majority' which the Yugoslavs tried and to a certain extent succeeded in galvanizing into action, consists for the most part of non-militant states with no real common denominator to bind them. Looking into the future, Yugoslavia, and with it the moderate group as a whole, will lose a lot of weight when President Tito is no longer there. The pro-Soviet faction, on the other hand, will still have the vigorous and charismatic Fidel Castro to lead it. One day the Yugoslavs may even come to regret as a tactical error their present policy of avoidance of open confrontations and splits at any cost. For the moment, the movement's divisions look more likely to deepen than diminish in the period leading up to the next summit in Iraq in 1982.

Ultimately, however, the outcome of the present struggle within the movement will also depend on what the West—and China—can do to convince the non-aligned that it pays to stand up to the Soviet Union and Cuba. A more coherent Western policy towards the Third World could make a lot of difference to that outcome. As yet there is no sign of such a policy.

K. F. Cviic

The lessons of Iran

LAWRENCE L. WHETTEN

IT sounds presumptuous, if not misleading, that the Americans are again questioning themselves: 'after Vietnam and Angola, how did we "lose" Iran?' The levels of comparison and analysis are completely dissimilar except that they represent case studies of fundamental re-examination of America's interpretation of its role in a highly dynamic international system. What are the responsibilities and constraints of 'leadership' in a multipolar world, how can it best be manifested in order to serve the interests of the United States and the international system? Towards what social, economic and political goals should this leadership be orientated? As a global power, how are vital interests and risk factor calculations to be orchestrated in a future environment of continuing superpower competition for political influence? What function should the United States play in an increasingly interdependent system, whose characteristics, structures, contradictory notions of international law and justice, and often internally conflicting appeals to nationalism or irredentism defy consistent generalizations? These and many other persistent queries are often compounded by charges that the US acts in either duplicity or confusion by its espousal of human rights and economic development, on the one hand, and its insistence on the protection of its security and strategic priorities on the other. Several observations can be made about Iran that may be relevant to US relations with other developing nations.[1]

American involvement in Iran since 1953 has hinged on several concepts: containment of Soviet expansionism into a historical Russian sphere of aspiration and the organization of the 'free world', including Iran, into a system of countervailing alliances that were to constrict the extension of Soviet influence. The US was genuinely interested in 'peace', defined as systemic stability, devoid of radicalism, and directed towards national self-determination and democratic values. The American dilemma quickly emerged. How should one foster nation-building among countries artificially created decades before by other powers (now allies), without undue intervention in domestic development? Yet, as the Cold War developed, based upon mutual perceptions of 'grand international conspiracies', a syndrome emerged of Washington's preoccu-

[1] There are an increasing number of emotional comments about the Iranian revolution. See, for example, the contributions in *Foreign Policy*, Spring 1979.

Dr Whetten is Professor of International Relations at the University of Southern California and Director of Studies in its German Graduate Programme in Munich; his books include *The Canal War: Four-Power Conflict in the Middle East* (Cambridge, Mass. and London: MIT Press, 1974).

pation with Communist subversion in virtually all susceptible countries, and only secondarily with local national development. Thus the US maintained an active involvement in developing countries mainly to protect its own national interests, although this policy was based on the premise that these states could not achieve the goals of modernization and independence to which they aspired without such US involvement. Thus Washington soon became the principal source of economic development aid: by 1977 the US provided more than double the aid of that of its nearest Western partner, France—over four billion dollars in public funds and over twelve billion dollars in overall private services.[2] In the cases of Taiwan, South Korea, Brazil and even India, the results were beneficial. But in other instances, as in Iran, Washington misperceived the dynamics and power of nationalism and had to pay the penalty.

Nationalism and intelligence appraisals

Since the years of Woodrow Wilson, the United States has been a leading advocate of the principle of self-determination as an inalienable societal right. Yet it has frequently forgotten the origins and strength of its own nationalistic emotions and neglected that of other emerging states. (The historical records of other great powers in respect of the recognition and treatment of the forces of nationalism, particularly that of the Soviet Union, have not been more inspiring.) In the case of Iran, the decade following the Shah's return to power was characterized by consolidation of his domestic authority against all potential rival forces with strong reliance on American support. The following decade (1963–73) in Iran was a period of substantial economic growth, low inflation, agricultural reform, high employment, industrial development of consumer goods, and a modest expansion of educational, health and infrastructure services. The upper and middle classes benefited substantially and their ranks swelled in most towns and cities. But the White Revolution created rural population dislocations without increasing agricultural production. By the end of the decade, Iran was facing significant increases in urban population, accompanied by under- and unemployment and the prospects of importing for the first time significant amounts of food. Growing concern within select enlightened circles was largely offset by the Shah's foreign policy of the period, i.e., dealing with the Russians as well as with the Americans in both military hardware and large-scale commercial operations (admittedly, the scale was heavily tilted towards the West, but the symbol of 'even-handedness' was more important than the substance). American intelligence and business communities concluded at this juncture that the Shah's social and economic

[2] 1977 Annual Survey of the OECD Development Aid Committee, Paris. During that year OECD provided over 27 times more development aid than did all Communist countries.

reforms coincided closely with the nationalistic visions of the vast majority of Iranians: after decades of interference and oppression, Iran was regaining its former honour and rightful position in the world, and its people were proud of their new prosperity—however unequally distributed.

These growing internal dislocations, and the Shah's own seemingly unrestrained ambition of reaching West Germany's economic capability by the year 2000, led him to initiate the 1973 Opec oil price increases. They also created confused planning, uninhibited speculation and corruption, which finally led to disillusion and embitterment within virtually every segment of the society. The Shah's overthrow was the result of a genuinely national revolution. The intensity of this nationalism, necessary to thwart the secret police (Savak) and generate a nation-wide uprising within such a heterogeneous society, had deep and profound roots. These stemmed not only from the rejection of the policies and practices of the Shah and his government. Equally important were the strong anti-foreign feelings, mainly among those classes whose grievances against the government coincided with seeming abuses by foreigners affecting them.

In February 1978 there were 100,000 foreigners in Iran, including 47,000 Americans. The increase in numbers necessarily resulted in the dilution of the social adaptability and versatility of many technicians, often assigned to their posts for short periods and without families, as compared to the US AID personnel of previous years, who had a genuine interest in the country and its development. The Westernization of countries is usually difficult to achieve (whether desirable or not) without compensating costs, especially in nations with proud and ancient traditions and beliefs.

The first lesson of Iran is that the US misinterpreted the breadth and depth of Iranian nationalism, the desire for local autonomy by the five main ethnic groups (only 35 per cent of the citizens are Persian speaking), and the interest in returning to a role of a non-aligned Middle Eastern state. This misperception was due to a variety of reasons, but there is one noteworthy conceptual, indeed structural, problem. Since the Cold War, the US intelligence community has been directed, trained and equipped to analyse intelligence activities in developing countries almost exclusively on the micro-, rather than the macro-level: that is, it has been far more concerned with a society's susceptibility to Communism or other radical political movements than with appraisals of a society's overall strengths and weaknesses. The common excuse is that intelligence cannot legally and should not morally be collected against a friendly government.[3]

[3] For a sharp denunciation of this argument by a former State Department official, see Abul Kasim Mansur, 'The crisis in Iran: why the US ignored a quarter-century of warning', *Armed Forces Journal International*, January 1979.

This should not preclude nation-wide estimates of progress, deficiencies, areas for intensified Western aid and issues that should be reserved for local and national responsibility.

Western versus national security interests

Since the end of the Second World War, the West has had strong security interests in the northern Middle Eastern countries. The formation of Cento, the provision of military weapons and training, periodic military exercises, etc., indicate the vitality of these Western interests. But Western policy-planners have become victims of self-fulfilling prophecies of their expectations of the role of regional powers in protecting their interests. After the British withdrawal from East of Suez, the American and French navies were regarded as sufficient to protect Western concerns, mainly oil, in the Gulf and Indian Ocean. The establishment of a permanent Soviet naval presence in the Indian Ocean in 1968 and the diversion of the US Navy to Vietnamese waters intensified the need for regional powers as alternative, reliable sources of mutual assistance.

The 1973 Nixon Doctrine, offering American material assistance in return for local military self-reliance, was a watershed in Indian Ocean security matters. The Shah accepted the invitation as a vindication of his initiative to raise oil prices sharply and as US encouragement to serve as the guarantor of Gulf security, Western oil supplies and access through the Straits of Hormuz. But his price was high: $18 billion worth of advanced weapons systems, including more British Chieftain tanks than the British Army operates, five US Spruance destroyers, plus F-14s, the follow-on F-18s, the Phoenix air-to-air missile and the AWAC air control aircraft. The rationale of the Iranian Government for making such extensive purchases over a relatively short time was that the procurement of the most advanced systems possible now would provide it with sophisticated weapons platforms for which it could periodically buy far less expensive up-grading components that would assure military efficiency up to the year 2000. The major procurements were to be made by the mid-1980s, when the centre of gravity in national investment was to be shifted to intensive industrialization.[4] As weapons deliveries accelerated, training intensified (the Iranian Air Force logged more flying time than the Israelis) and the Shah sent a small expeditionary force against the Dhofar rebels (where the Iranian troops performed poorly), the West and the US felt somewhat reassured. First security, then industrialization: this fitted the Western formula.

But the scheme failed, which required reassessments of other concepts

[4] The best analysis has been made by Shahram Chubin: see 'Iran's Defense and Foreign Policy', in Abbas Amirie and Hamilton A. Twitchell (eds), *Iran in the 1980s* (Palo Alto: Stanford Research Institute, 1978); and his *The Foreign Relations of Iran* (co-author S. Zabih, Berkeley: University of California Press, 1974).

and premises of the US involvement in Iran. First, what should be the use of regional national armed forces: as surrogates for the absence of great-power forces or as responsible actors for the defence of foreign interests? Secondly, are American force levels and structures present or available necessary to intervene at any degree of hostility, if required, and adequate to assume the burden of unilateral projections of force? Thirdly, what strategies for regional security should be adopted with, for instance, a Saudi Arabia apprehensive about the pro-Soviet coup in South Yemen last year, but reluctant to assume responsibility for the defence of the Gulf? Finally, what revisions of the concept of non-alignment can be expected after one pillar of Western regional security has dissolved? (The basic premise of non-alignment—that regional security can be preserved through manipulating the balance of power rather than neutrality—is now questioned. Cuba and its supporters in the movement are advocating a redefinition of the concept implying closer identification with the Soviet Union and its Communist allies. Thus the security interests of the Indian Ocean nations have acquired, after the Iranian revolution, new dimensions in respect of non-alignment and great-power rivalry in the region.)

The lesson here is that Iranian and regional security requirements were basically a function of super-power rivalry. To restore the former Western sense of security will require cautious realignments by the US in order to preclude alienation of the sensitivities of other regional powers. Equally important, the US cannot rely solely on any given regional state to defend or even co-operate in the defence of Western interests. But can it afford unilaterally to project military power?[5] As difficult as it may seem in the light of feuds within Nato in 1973, it is now imperative that Western Europe, Japan and the United States develop a co-ordinated programme for adoption by the Gulf states for long-term stability and development. Mutual accord of agreed interests between the West and the Gulf would be a major contribution towards deterring Soviet inroads and forcing Moscow to accept new rules of behaviour with the US that constrain destabilizing Soviet tendencies.

US Executive oversight

The mesmerizing effects of the former rules of super-power engagement in competition for influence were one reason for the complacency of Washington towards Iranian developments after 1973. There was no Soviet military presence in the Gulf to balance the US three-ship force and very little influence, except in Iraq, where Moscow's advice elicited

[5] US vulnerabilities were demonstrated by one of the most impressive intelligence coups since the Second World War; a professional 'hit team' stole the entire safe from the Gruman aircraft office during the eight-million-strong demonstrations in Tehran on 8 December 1977. The safe contained the operations manuals for the highly sensitive F-14 interceptor and the 100-mile-range Phoenix air-to-air missile.

unpredictable responses. None the less, this minimal Soviet political influence and the strong US interest in precluding any form of superpower military involvement in regional problems underlined a three-decade-old dilemma for American policy-planners.

In dealing with developing countries, when should security and strategic interests override the values of human rights and self-determination? How should military assistance, necessary for local security, be balanced against the need for political reform, required to create a sufficient popular political power-base for the development of political institutions and pluralism? When national security interests that have been tied to an increasingly unpopular leader become a political liability, how should a great power react? There is little common experience from which guidelines and premises might be deduced. Assessments, then, must be confined within a case-by-case and ad hoc framework. This lack of general rules of the game partially explains the oversight of developments in Iran by the Carter Administration.

A second explanation frequently heard among knowledgeable American officials is that the prevailing assessment of the Shah was that he projected the image of a charismatic leader with sufficient agility to shape and mould a consensus supporting his long-term visions. Indeed, most Western analysts perceived the Shah not as a medieval oriental despot, but as a Western-type leader who had rebounded from the setbacks of the 1950s and consolidated a state advancing rapidly towards modernity. Close observers acknowledged that his record on human rights and freedom of the press would probably not pass Congressional approval if all the facts were revealed. (But, after all, there are only 25 to 30 states in the world which would qualify as democratic and to deal only with them would mean the adoption of irresponsible global isolation.) Yet the internal situation in Iran had vastly improved during the past 30 years: media censorship was minimal and, under strong US pressure, the first public trials of political terrorists were conducted in the spring of 1977. Following this analysis, the vast majority of Western observers expected the Shah, even as late as September 1978, to stage a popular comeback. The Shah repeatedly made project cutbacks and cancelled weapons purchases to appease his critics. But few of these moves were publicly announced, no reforms were discussed and no overhauled or revitalized national programme was ever issued, so that the Shah came to be seen as an arrogant, self-assuming Asian despot, not a charismatic leader.

Such a gross misperception of the Shah's popular standing contributed to a third reason for the degree of Executive oversight in the Iranian case. In view of the comforting assessments of the Shah's character and abilities, President Carter was easily distracted by more urgent matters. In August Carter agreed to commit his personal prestige to the Israeli-

Egyptian summit conference at Camp David. Soviet involvement in the Horn of Africa contributed to the decision during the summer to extend full recognition to the People's Republic of China and to cut ties with Taiwan. The Nato allies were still smarting under the US handling of the neutron bomb issue and Carter's personal relationship with Chancellor Schmidt was at a new low. Salt had hit major snags when the Soviet Union refused to accept any cuts in its heavy ICMB force which, coupled with Soviet activities in Africa and minor harassment of US citizens in Moscow, alarmingly slowed down the détente process. The aggregate importance of these other demanding issues led the White House merely to hope for the best in the case of Iran.

When Washington finally recognized the danger of developments in Iran, the initial assessment reportedly was that the close timing between the abrogation of US obligations to Taiwan and possible reduction or withdrawal of support for the Shah would be likely to create severe reservations in Saudi Arabia, Egypt and Israel about the credibility of US security commitments to non-allied states.[6] At that late stage, the White House concluded that it was in a 'damned if you do and damned if you don't' position. Carter's New Year's Eve toast to Iran as an 'island of stability' was a ridiculous indictment of White House neglect to take note of the gathering storm.

The lesson in this instance is that the dilemma about the consequences of supporting or abandoning friendly governments is complex, but should be more manageable than occurred in the Iranian case. This situation was compounded by the problem of 'intimacy', i.e., the US was so intensely involved in Iran that its analytical objectivity was blurred. Indeed, many observers with vested interests in Iranian growth deliberately or unintentionally contributed to this self-deception. In the future, more precise identification of potential trouble spots should be made. An assessment of US interests involved and recommended alternative actions should be circulated throughout the concerned governmental agencies as soon as a trouble spot emerges, not after it has spread to the point that hard choices preclude any decision at all being made. The trick is how to define a trouble spot: in 1978 there were 29 instances of sustained violence in Africa alone, but few affected US interests.

Modernization versus traditionalism

Many observers in less developed countries (LDCs) insist that the process of progressing towards modernity should be labelled 'development'. The term modernization, however, remains preferable, because it focuses more clearly on the necessity of defining or describing the end

[6] Chubin has observed that the Shah's overthrow was a setback for the Western allies: 'It exposed the limits of their influence and undermined the credibility of their commitments'. See 'Repercussions of the crisis in Iran', *Survival*, May–June 1979.

objective, modernity, not the process. The conflict between modernization and traditionalism is seen by both local and foreign opinion as the central dispute between the previous and present regimes in Iran and remains unresolved.

Indiscriminate modernization of potentially unstable countries with irredentist claims, arbitrary boundaries and sanctuaries for political refugees from rival countries is fraught with dangers for investing countries and companies, as well as recipients. Yet many of these countries are among the poorest, least developed in the world and require massive injections of the right type of economic aid and military security. Virtually all LDCs perceive the supply of military weapons in quantities and of a quality sufficient to match both external and internal threats to their security as one of the first symbols of modernization.[7] It has become a truism that many of these nations allocate more funds for defence purposes than for the combined public welfare budgets, with debilitating effects on social and economic growth that may or may not be compensated for by an enhanced feeling of national self-confidence. One of the most difficult aspects of modernization is the distinction between nationalistic symbolism and substantive development.

The appropriate pace of modernization is also difficult to establish.[8] It is true that the pace of modernization has often been set by the need of multilateral corporations to secure satisfactory profit margins in risky investment conditions and a troubled global economic environment. But it is not just the corporations, Western governments and international organizations that are responsible for determining the pace of developmental growth. It is frequently set by domestic requirements to offset world inflation, dollar devaluation and depreciation of net assets. Accelerated growth is also often a response to demands of élites and expanding middle classes anxious to gain rapid profits. A final variable is the whims of wayward national leaders determined to etch their names in history and to appeal to local nationalism for their own benefit. (The Shah's plan for a $4 billion, four-million volume library, the largest in the Middle East, to be completed within four years, is a case in point. The folly of national airlines for most LDCs is another—the Central African Empire can be serviced far more economically by Air France than by its own airlines.)

Grievances against the Shah's modernization programmes have been

[7] In 1975 the world's total arms budget was $400 billion, arms transfers amounted to $10 billion (2·5 per cent) and only a small fraction of that went into the Third World. See Philip J. Farley, Stephen S. Kaplan and William H. Lewis, *Arms Across the Sea* (Washington: Brookings Institution, 1978); and G. Kemp, R. Pfaltzgraff and U. Ran'an, *The Military Build-up in Non-Industrial States* (Denver: Westview Press, 1977).

[8] It has been both the pace of modernization and anti-Soviet nationalism that has led to the 1978–9 civil war in Afghanistan. The parallels and contrasts with Iran are noteworthy.

adequately covered in the international press. It remains to suggest observations and lessons from the general condemnation of the Iranian modernization experience. First, it should be remembered that over the past three decades, modernization programmes have benefited many nations in various ways (the Green Revolution in agricultural productivity is but one). What is needed, in the wake of the Iranian revolution, however, is a broader understanding of modernity, including its preferred limits, reserved areas for traditional beliefs and mores and recommended steps and pace in development towards these desired goals. Secondly, the appropriate role of creditor and recipient governments and agencies in determining these objectives can best be made on a country-by-country basis. (The failure of the United Nations Industrial Development Organization, Unctad, the UN Conference on Technical Co-operation and other international bodies to establish common terms of reference on the objectives of modernization between industrial governments and the LDCs indicates the limits of a universal approach.) Thirdly, the North-South dialogue also demonstrates the difficulty the industrial nations themselves have had in establishing common criteria for the participation in the modernization process, each preferring to promote its respective comparative advantages and interests. But a more intensified discussion between the individual recipient LDCs and several industrial countries would facilitate the definition of the objectives of modernization, after which foreign banks and corporations could compete on an individual project basis. While these practices are already partially implemented, donor governments must focus more attention on sociological conditions and needs of LDC societies to ensure that traditional mores, national identification and twentieth-century aspirations can be more effectively blended to suit individual countries.

The Iranian case demonstrated graphically that in the final analysis Third World nations retain powerful leverage in determining their own destinies, their own mixture of nationalism, traditionalism and modernity. But the Iranian case, more so than others, such as Nicaragua, also displayed the complexity of the newly recognized phenomenon in North-South relations—interdependence. It is the advanced developing countries with traffic problems, pollution, light consumer industries, educated élites, modest infrastructure services and relatively stable national incomes that complicate analyses of interdependence. The on-going questions for Iran are what level of interdependence will be compatible with the changing notions of nationalism and traditionalism, what level and type of foreign involvement will be regarded as a manifestation of unacceptable dependence and what level is mandatory to provide essential goods and services under new and different life-styles. These unanswered questions suggest that the most important lessons of the Iranian revolution have not yet been clarified.

New tasks for the European Parliament

ROGER MORGAN

THE election campaign which produced the first directly elected European Parliament was only in part concerned with the future of the European Community. In most countries, the electors were influenced essentially by considerations of domestic politics—these, indeed, dominated the election campaigns fought by most of the political parties—and 'European' issues were prominent mainly in the sense that candidates of most parties promised to promote national or even local interests in the European Community context. This appeal to the voters' self-interest was naturally strongest in countries where suspicion of the Community and its works is endemic—notably Britain, France and Denmark—but it was also present in the election campaigns in countries where public support for the more idealistic goal of 'constructing Europe' is in favour, especially Holland and the Federal Republic.

After a campaign which was also striking for the differences in electoral turn-out which it produced in the different countries (32 per cent in Britain contrasting with 86 per cent in Italy, with a Community average of 56 per cent), the final results indicated a slight swing to the Right. Conservatives in Britain, Giscardians in France, and Christian Democrats in Germany, Belgium and Holland all made gains at the expense of the Left. The main party groups in the new Parliament, in order of size, are as follows: Socialists 113, European Peoples' Party (Christian Democrats) 108, European Democrats (Conservatives) 63, Communists 44, European Liberals and Democrats 40, and European Progressive Democrats (Gaullists) 22.[1]

The 410 MEPs who assembled in Strasbourg on 17 July therefore reflect the wide spectrum of political views, and also of views about the European Community's future, held by the electors who chose them, and the Parliament's debates will certainly gain in genuineness and in popularly accepted 'legitimacy' from the fact that it is truly representative in

[1] For a fuller analysis of the campaign and its outcome, see Roger Morgan, 'L'élection d'une assemblée européenne très diversifiée', *Revue Politique et Parlementaire*, No. 881, July–August 1979.

Dr Morgan, formerly Professor of European Politics at Loughborough University, is Head of the European Centre for Political Studies at the Policy Studies Institute in London. His books include *West European Politics since 1945: the Shaping of the European Community* (London: Batsford, 1972; New York: Capricorn Books, 1973; second edition, London: Butterworth, forthcoming 1980). This article will appear also in Dutch in *Internationale Spectator* (The Hague).

this sense. The fact that the Parliament contains a number of authentic 'anti-Marketeers' (at least six from Denmark and perhaps ten of the eighteen representatives of the British Labour Party led by Mrs Barbara Castle) will help to ensure that EC policy proposals are rigorously debated, and that their rationale is more convincingly and clearly stated by their authors than has often occurred hitherto.[2]

The limitations on the Parliament's influence, both external and internal, need only be briefly mentioned. The most obvious of the external constraints is the determination of several of the EC's member governments not to allow any increase in the Parliament's formal powers, except by the unanimous consent of the Council of Ministers.[3] Internally, too, the Parliament will face several handicaps even in deploying its present limited powers to the full. The first of these handicaps is the lack of cohesion in the party groups, which largely reflects conflicts of interest or of perspective between representatives of different countries: the Parliament's Socialist group includes both British Labour Party members who regard the CAP as an intolerable burden on Europe's consumers and taxpayers, and French Socialists who wholeheartedly defend it as a protection for rural workers; in the Communist group, the PCI and the PCF are divided on several major issues, both in respect of EC policies and more generally; to the centre-right of the Parliament, Conservatives and Christian Democrats have been unable to reconcile their differences, and remain as separate parliamentary groups; and even the small Liberal group is internally divided on many points, including the decision of its majority in July to put forward Simone Weil for the Parliament's Presidency, rather than Gaston Thorn.

A further handicap for the Parliament is the relative absence of major European political leaders among its members, in contrast to the high hopes of the period when direct elections were first agreed on. Even the limited number of prominent leaders actually elected in June has been reduced, notably by the withdrawals of François Mitterrand and Jean-François Deniau.

Despite this, the Parliament does contain several members with considerable weight and experience, either as members of the former non-elected Parliament or else as officials of this or of other Community institutions. There are many reasons to expect that, in a suitably modest but still an effective way, the MEPs will address themselves to the many tasks which their electors, and others, will expect them to perform.

These tasks may be divided into five categories. First, carrying out the

[2] See further Helen Wallace, 'Direct elections and the political dynamics of the European Communities', *Journal of Common Market Studies*, Vol. XVII, No. 4, June 1979.

[3] On the background, see Roger Morgan and David Allen, 'The European Parliament: direct elections in national and Community perspective', *The World Today*, August 1978.

representative function of an elected assembly, which will involve MEPs in ensuring effective communication between their constituents and the EC's authorities, in both directions. Secondly, the function of controlling (at first mainly in the limited French sense of 'contrôler', but increasingly in the stronger English sense too) the actions of the Commission and Council of Ministers. Thirdly, the function of debating and helping to resolve important current problems. Fourthly, the function of helping the EC to think ahead, in order to deal effectively with problems which are not yet pressing enough to engage the attention of the Council of Ministers. And fifthly, the important function of participating in the external relations of the Community, a task which is linked with all four of the others.[4] These five activities—representation, control of the executive, policy-making, forward thinking and external relations—will be considered in turn.

The EP's function of representation, in so far as it relates to the MEPs' role of representing the points of view of their electors or of other constituencies (their ideological allegiance or national interest, for instance), will inevitably make the Parliament the scene of various forms of conflict. Representatives of farming regions are bound to see the CAP differently from MEPs representing urban interests; competing bids for support from the EC's Regional Development Fund or other financial resources will be in conflict in a zero-sum situation; and attempts to solve this problem by increasing the money available will encounter strong resistance from MEPs opposed to an increase in Community spending, whether for ideological reasons or on grounds of equity between member states.

All of these issues which the Parliament and its Committees will confront—and there will be many more of them—are in fact the issues of which political life is made; and the process of debating them, and bringing them to some sort of acceptable resolution, will inevitably involve MEPs in the kinds of compromises, deals and bargains which are familiar in domestic politics. The business of accommodating conflicting interests—which will often be more tenaciously defended than in the past, because of the direct involvement of MEPs' constituents—will thus contribute to a socializing process leading to increased communication and even integration not only between MEPs but through them with the constituencies they represent. It should not be expected that progress will be rapid: but the MEPs' representation of grass-roots interests in the EC's policy-making process, and to each others' constituencies, is certain to lead the process of integration into a new phase.

The representative function of MEPs, as indicated above, will also

[4] See also John Pinder, 'Europe: the next five years', *New Europe*, Vol. 7, No. 3, Summer 1979; David Coombes, *The Future of the European Parliament*, Studies in European Politics, No. 1 (London: Policy Studies Institute, 1979); and David Marquand, *Parliament for Europe* (London: Jonathan Cape, 1979).

require them to explain to their electors why the Community undertakes certain policies and not others. Such EC policies as limitations on energy imports in the short run, and selective support for specific industries in the longer run, as well as possible modifications of the CAP, will need to be explained to the citizens affected by them (i.e. almost everyone); MEPs will form one of the authorities' channels of communication with the population, as they do in other representative political systems.

As well as conducting two-way communication with the electors during the times which the United States Congress designates as 'District Work Periods' (which will be frequent, because each MEP has a large number of voters to represent), the Parliament can also learn to use its debates, including hearings on matters of current concern, to carry out this function of public education and enlightenment. MEPs should study the techniques by which, say, members of the Senate Foreign Relations Committee can exploit even such routine occasions as the hearings of an ambassador-designate to deliver short but well-publicized homilies on foreign policy (as Senator Javits and others did in the hearing of Andrew Young's successor, Ambassador David McHenry, on 13 September). Even though direct television and radio coverage of a multi-lingual assembly will pose problems unknown in Washington, there will be many opportunities for MEPs who know how to use them.

The EP's second function, that of control, is a classic instrument of parliamentary power, and has been much discussed.[5] The EC Commissioner for Budgetary Affairs, Christopher Tugendhat, gave the Parliament a clear lead in this respect in his presentation of the 1980 draft budget on 20 July when, it was reported, he 'spoke very harshly with regard to the Council of Agricultural Ministers, in respect of which he noted the lack of co-ordination with the Finance Ministers. He recalled that the Commission found itself forced to dissociate itself from agricultural price decisions, not only because they largely ignored budgetary repercussions, but above all because they were bad decisions for the common agricultural policy, for they provided no solution to the problem of surpluses'.[6] This clear invitation to the Parliament to support the Commission's view of the EC's budgetary procedure could have very far-reaching consequences; as Mr Tugendhat went on to argue, better consultations between the Parliament and the Council would represent an important improvement in this procedure, and in fact the new Parliament will have the authority to insist on such detailed consultations taking place.

In this, as in other respects, the Parliament will be building on the precedent set by its indirectly elected predecessor. One of the weapons the new Parliament will be able to use, in its attempt to get more detailed information about the Community's actual pattern of spending on agri-

[5] Coombes, *op. cit.*, chapter II.
[6] *Agence Europe*, No. 2725, 21 July 1979.

culture and other sectors, and to make changes in it, is a sharply critical report by the Budget Committee of the former Parliament (prepared by Lord Bruce of Donington, then a member of the Labour Party's delegation), which accused both the Commission and the Council of Ministers of 'scandalous duplicity' in the spending of EC funds.[7] One conclusion to be drawn from this report is that a directly elected Parliament, with an enhanced political standing and with better staff resources at its command, will be in a stronger position than its predecessor to probe into the actual operations of the EC's budget. It may be that such probing will prove the accusations made by the last Parliament to be exaggerated. In any case, it might be well for the new Parliament, in its zeal for more exact financial control, to be wary of getting too deeply into the precise details of spending. Where any question of financial malpractice arises, the Community's new Court of Auditors has a critical role to play, and the Parliament would be well advised to concentrate on broader issues such as the overall distribution of Community spending, where vital and difficult decisions lie ahead.

The third function of the EP, that of participating in current policy-making, was in fact illustrated by the achievement of the previous Parliament in winning a substantial increase in the funds allocated to regional development. Such victories of the Parliament over the Council will continue to be difficult, but the increased influence of a directly elected Parliament makes them quite likely, and the Council should be prepared for more strenuous expressions of the Parliament's views.

At the same time, the Parliament will certainly wish to contribute to the making of policy by the EC and its member states on a wide range of current issues, by no means all of them within the framework of Community policy in the strict sense. For instance, there is the proposal made in July by Willy Brandt, one of the few major European statesmen to take his place in the EP, that the Parliament's Political Committee should conduct hearings this autumn on the progress made in implementation of the Helsinki Final Act on Security and Co-operation in Europe.[8] This is in fact one of the areas where co-ordination of policy between the Nine has been reasonably well ensured through the mechanism of European Political Co-ordination, but there is still a good case for public debate on the line to be adopted at the Madrid review conference of 1980, if only to avoid the kind of disarray within the West which occurred at Belgrade in 1978.[9] The technique of hearings, as suggested above, is one which the EP and its committees (many of them highly qualified in their fields, and chaired by such eminent experts as Signor Emilio Colombo, Sir Henry

[7] *The Guardian*, 19 August 1979.
[8] *Agence Europe*, No. 2724, 20 July 1979.
[9] The disarray mainly affected the US delegation in Belgrade. See Roger Morgan, 'West European and US policies towards the Soviet bloc', *Ditchley Journal*, Summer 1979.

Plumb and Sir Fred Catherwood) could apply to a very wide range of current issues.

In relation to this same function of debating and advancing urgent policy issues, the Parliament can certainly be expected to take up an important report on the economics of military procurement, prepared for the Political Committee of the old Parliament last year by its rapporteur Dr Egon Klepsch.[10] In endorsing this report, and its demand for the EC's industrial policy to be extended into military procurement, the Committee on Economic and Monetary Affairs emphasized the reasons why, in an age of high technology, 'the cost of defence equipment has increased far more than general rates of inflation', and continued:

> The combination of less resources for military research and development in the European aircraft industry [than in the USA] and the dispersal of these resources between a far larger number of companies has undoubtedly had an extremely adverse effect on the competitiveness of the military and civil sector.[11]

Apart from the economic facts summarized here, the Parliament will press the Commission and Council for further action in this area (through the Community's industrial policy) for the political reason that defence policy will provide an obvious sector of activity for members of the European Parliament concerned to extend the Parliament's influence into areas of 'high politics'. It is also relevant to note that several members of the new Parliament have an active interest in military affairs: one of them, the British Conservative Derek Prag, was the author of a proposal for a European defence force entailing a high degree of integration.[12] It should also be noted that the author of the Klepsch Report has himself been elected to the new Parliament, and re-elected as Chairman of its influential Christian Democratic Group.

The issue of defence policy—which the EEC countries must at this stage approach through industrial policy and consultation on strategic doctrine, rather than through any premature attempt at a European Defence Community[13]—is only one example of many questions on which informed pressure by the European Parliament can help the Community to move forward.

The fourth function suggested for the Parliament—thinking ahead to help the Community authorities to make better decisions in future—

[10] *Two-Way Street, USA-Europe Arms Procurement*. The Klepsch Report, with a foreword by the Rt Hon. Geoffrey Rippon (London/New York: Brassey's/Crane Russak, 1979).

[11] *ibid.*, pp. 59, 63.

[12] See *European Defence Cooperation* (London: Federal Trust for Education and Research, 1978).

[13] For further discussion, see Roger Morgan, 'The Politics of European Defence Co-operation' (Paper for Committee on Atlantic Studies annual meeting, 1979, to be published in 1980).

reflects an opportunity granted to this Parliament rather more than to others. Precisely because the EP is not empowered to exercise all the day-to-day functions of a national Parliament, even though most of its members are full-timers, it is in a position to take on a 'think-tank' role which the Community sorely needs. As indicated in Commissioner Tugendhat's above-quoted remarks about the CAP, the different sectors of EC policy are not at all well integrated with one another, despite undertakings by successive Commission presidents that this failing would be remedied. Although it is now well understood that the Community countries will almost certainly face a mounting crisis of structural unemployment in the early 1980s, little effective thought has gone into assessing the policies which this situation will demand. The prospect of long, drawn-out economic stagnation, accompanied by limited energy resources, sharp competition for markets and the run-down of many established sectors of industry, raises a host of problems on which clear and far-sighted thinking about the options is urgently necessary.

Although there is perhaps no immediate pressure on MEPs to come up with guidelines for the management of these and other problems, they have a direct interest in attempting to do so, since the status of the Parliament and its members can only be enhanced by each occasion on which they indicate a useful line of action for the governments and the institutions of the Community to follow. Within limits, the European Parliament might, in this forward-looking capacity, follow the example of the House of Lords (at its best), rather than the more short-term-oriented House of Commons. In EC matters, indeed, the House of Lords has shown itself able to reflect more usefully on the longer-term issues than the Commons: as well as valuable reports on political and economic topics such as Community enlargement, the Lords have promoted useful discussion on more elusive issues such as the EC's involvement in the politics of culture, and also the question whether the Community should support the projected 'European Brookings Institution'.[14]

The resources which the European Parliament can devote to thinking about the future are of course much more limited than those available to the US House of Representatives, which in 1974 passed the 'foresight' provision stipulating that all legislation must include some assessment of its future implications, and two years later established the Congressional Clearinghouse on the Future to undertake this task as systematically as possible. However, the experienced and enterprising members of the EP, by using the expertise of their well-qualified staff and drawing on the

[14] *House of Lords, Session 1978–79. 14th Report, Select Committee on the European Communities. Culture*, 1.R/2982/77. *Community Action in the Cultural Sector*, 2.R/3148/78. *Recommendation for a Council Decision . . . to negotiate an Agreement to set up a European Economic and Social Policy Research Institute . . . 20 February 1979*, HMSO. For the Lords' debate, see *Parliamentary Debates, H.L. Official Report*, Vol. 401, No. 22, 5 July 1979.

range of policy research already being undertaken throughout the Community, are in a position to guide long-range European policy-making in a more far-sighted and soundly informed fashion than most national parliaments can in the ordinary way achieve.

Fifthly and lastly, the new Parliament will be able to play a role, in developing the external relations of the Community, which is in many ways linked to the functions just discussed. The prospects of resolving the central issues of growth, employment, energy and inflation are of course so intimately dependent on the Community's international environment that 'external relations' play a major part in achieving the Community's internal goals. The main responsibility for conducting and cultivating these external relations is at present shared between the Council of Ministers and the Commission, but their activities in this field are often of an ad hoc or transitory kind. The signing of a treaty by the President of the Council, or a foreign visit by the Commissioner for External Relations (or even the maintenance of local contacts by the Community's embryonic diplomatic missions in a few major foreign capitals) are no real substitute for the full range of diplomatic representation which states practise between themselves.

The Parliament could do a good deal to compensate for this deficit in the Community's foreign representation and to prevent some of the more painful shocks which have occurred in Europe's relations with its major partners as a result of insufficient forewarning of developments in the domestic political system on both sides. In the EC's relations with the United States, for instance, although some exchange of general assessments occurs through the regular six-monthly meetings of the External Relations Commissioner and the Under-Secretary of State for Economic Affairs, and although there has for some years been a small-scale programme of exchange visits between the European Parliament and the House of Representatives, the latter programme shows great scope for improvement. If, in addition to periodic visits of small groups of legislators between Washington and the seat of the Parliament, there were frequent meetings of joint working groups on specific topics (including on the US side Senators as well as Congressmen), some of them being joint hearings on matters of common concern, the present degree of transatlantic friction could be greatly reduced.

As well as arranging for joint hearings, a standing mechanism of the European Parliament for relations with Congress could ensure that European and American parliamentary consideration of important topics was conducted with some degree of synchronization. It would also permit more effective joint handling of such vital and externally sensitive areas of 'domestic' affairs as agricultural, industrial or energy policy and, indeed, economic management as a whole. A working relationship of this kind might be paralleled by similar arrangements with Japan, and by a

stepping-up of the Parliament's involvement, hitherto marginal, in conducting the Community's Association Agreements with other external partners.

These multiple roles for the new Parliament—in representation, control of the executive, policy-making, forward thinking and external relations—should make it a central element of the Community's political system, and ensure that the great experiment of direct elections is a step of real significance.

Disarmament and the Soviet Union

ROY DEAN

The First Committee of the UN General Assembly begins its consideration of arms control and disarmament issues in mid-October. The discussion will range over proposals from various countries, including the Soviet Union. In this article the Director of the Arms Control and Disarmament Research Unit of the Foreign and Commonwealth Office looks at the Soviet attitude.

A FUNDAMENTAL problem in trying to understand the Soviet Union's attitude to arms control and disarmament is how to reconcile its stance as the champion of world peace and disarmament with its continuing and accelerating military build-up on a scale well beyond any defensive requirement. Linked to this is the suspicion inevitably aroused by its general tendency to use loaded language. This is exemplified in the Soviet argument that whereas nuclear missiles in the hands of those whom Soviet spokesmen call the 'imperialists' threaten mankind, 'in the hands of the Soviet army they serve to defend peace and the foremost social system in the world'.[1]

The importance of disarmament to overall Soviet foreign policy is immediately apparent. A recent Soviet handbook on international affairs,[2] for instance, lists disarmament first, and all Soviet disarmament initiatives receive extensive publicity in Soviet and Soviet-inspired press and radio outlets.[3] Closer inspection of these initiatives, however, tends

[1] General A. Yepishev, writing in *Kommunist*, No. 2, January 1979.

[2] *Spravochnik Propagandista-Mezhdunarodnika* (Moscow, 1978).

[3] For a recent example, see V. Petrovsky, 'The Soviet Union's struggle for real disarmament', *International Affairs* (Moscow), No. 7, 1979.

to show that the Soviet leaders are seriously interested in specific arms control measures only where the capability of their negotiating partners is actually or potentially superior. With regard to nuclear disarmament, for example, many of the Soviet Union's proposals have been based on its leaders' realistic awareness of the proximity to their country of the four other nuclear weapon states. They are much less inclined to do business in the field of conventional forces—especially in Europe, where the USSR has the superiority.

Nevertheless, the Soviet leaders have one genuine and pressing reason for slowing down the arms race—namely to lighten the burden on the Soviet economy of heavy military spending. Aware of this burden, and the limitations of Soviet technology, they would clearly like to blunt the defensive capability of the West to the point where they could reduce their own defence spending.

'Peace' campaigns

The 'struggle for peace' is a theme which always wins a ready response from world opinion, and Soviet leaders since the time of Lenin have made disarmament slogans a prominent feature of their propaganda for foreign audiences. Both President Brezhnev and Foreign Minister Gromyko often describe peace and Socialism as 'inseparable'.

Current Soviet initiatives in the disarmament field seem to be based mainly on the following considerations and objectives: anxiety to counter the damaging effects on their image abroad of the reported expansion of Soviet armaments—especially when contrasted with reports about the Soviet people's relatively low standard of living; the belief that their disarmament initiatives show the USSR to be 'peace-loving', remind the average Western elector of the economic benefits to be derived from arms cuts, and gain credit for the USSR in Third World countries which stress disarmament as the key to social and economic progress; the wish to appear as the principal proponents of détente; and a desire to convince their own people that the only barrier to disarmament is the attitude of 'aggressive imperialist circles'.

Non-Communist public opinion has been the primary target of the successive post-war Soviet 'peace' campaigns, for which a major instrument has been the Moscow-led international 'front' organizations—above all the World Peace Council (WPC). These organizations are ostensibly non-official and politically uncommitted—indeed, there have been attempts to create 'fronts' within the fronts so as to obscure their discredited origins and connexions—but in practice they never demand a reduction in *Soviet* armaments. Relying on the natural human desire to live in peace, they appeal to peoples over the heads of their governments to press for arms cuts and a ban on certain types of weapon—always as proposed by the Soviet Union. The WPC's current appeal to

'Stop the Arms Race'—launched in February 1979—calls on the peoples of the world to 'demand that Nato countries renounce their decision to increase further their military potential and budgets', without any balancing reference to the Warsaw Pact countries' own expansion plans; China is the only Communist state to be criticized for its defence policy.

The Soviet record

The Soviet leaders make much of the arms control and disarmament proposals they have put forward over the years, but few have been universally accepted—mainly because they were clearly designed for propaganda effect or to weaken the security of the Western alliance by circumscribing its collective strategy of deterrence against aggression. Soviet proposals for a no-first-use of nuclear weapons undertaking and for the non-stationing of nuclear weapons in countries which do not at present have them were rejected by the West because of their obvious bias in favour of the USSR. The Warsaw Pact has also issued many resounding declarations on the importance of arms control and disarmament—all echoing Soviet policy. But Soviet bloc calls for more multilateral disarmament talks and conferences inspire little hope of real progress when seen against the Soviet Government's record of obstruction and refusal to accept the vital need for balanced disarmament and adequate verification of agreements.

Soviet unwillingness to allow satisfactory verification arrangements has been the principal obstacle to agreement on the following arms control measures:

(i) *Ban on chemical weapons.* The USSR supports the idea of a ban, but will not accept any verification on its territory to ensure observance of such a ban; it will not even agree to discuss with other countries the feasibility of on-site inspection of chemical weapons plants.

(ii) *Cessation of production of nuclear weapons.* The USSR is ready for talks on this, but will not even let the IAEA inspectors visit its civil nuclear plants.

(iii) *Reduction of military expenditure.* The USSR has proposed a 10 per cent reduction if others do the same, but has ruled out any chance of international agreement by refusing to provide figures for its true military expenditure.

The negative approach of the Soviet Union and its allies was illustrated at the 33rd session of the UN General Assembly last December during discussions in the First Committee, which now concentrates on arms control and disarmament. Following the impetus given by the General

Assembly's Special Session on Disarmament earlier in 1978,[4] a record number of 42 resolutions was adopted. These are recommendations only and do not have binding force. But the Soviet Union and all its allies except Romania opposed the Canadian proposal for a cut-off in the production of fissionable materials for nuclear weapons purposes and a Tunisian proposal for occasional reviews of the membership of the Committee on Disarmament, and abstained on resolutions covering such widely supported ideas as the reduction of military budgets, regional disarmament schemes, an international satellite monitoring agency, the security of non-nuclear-weapon states, and SALT.

Soviet spokesmen still often claim that where international agreement has been reached on an arms control measure, its origin has lain in a Soviet initiative. The authoritative UN Handbook, *The United Nations and Disarmament 1945–70*, reveals how untrue this claim is. The Antarctic Treaty of 1959 was a US proposal. The 1963 Partial Test Ban Treaty stemmed from the nuclear weapons test ban proposed by India in 1954—the final ban was partial because the USSR refused to accept on-site inspection for suspected underground explosions. The 1967 Treaty on the Use of Outer Space for Peaceful Purposes was originally proposed by Canada, France, the UK and the United States in 1957. The 1968 Nuclear Non-Proliferation Treaty was first proposed by Ireland in 1958, and the Sea-bed Treaty of 1971 derived from a Maltese idea in 1967.

Separate treatment of biological weapons in an international convention, negotiated in 1972, was first proposed by Britain in 1968 and opposed by the Soviet Union. Not unnaturally, these Western initiatives received no coverage in the state-controlled Soviet press. It is likewise difficult for the average Soviet citizen to find out about the many other Western disarmament proposals now under discussion.

Words and deeds

The activities of the alleged 'military-industrial complex' in the United States and other Western countries are a constant target of denunciation by the Soviet press and radio. The development and production of modern weapons are said to be for 'aggressive' purposes when carried out by the West, and Western arms sales are portrayed in terms of the machinations of 'merchants of death'. Soviet arms sales, currently estimated at about 10 per cent of total Soviet exports, are given little or no publicity. A typical article in the Soviet army newspaper *Krasnaya Zvezda* (also broadcast in English and Russian for abroad on 7 June 1979) accused Italy of exporting arms to the 'most dangerous areas of the world', but did not mention the Soviet contribution. According to

[4] See Philip Towle, 'The UN Special Session on Disarmament—retrospect', *The World Today*, May 1979, and Roy Dean, 'Disarmament at the UN General Assembly', *ibid.*, February 1979.

the yearbook of the independent Stockholm International Peace Research Institute (SIPRI),[5] the Soviet Union has 29 per cent of the market in developing countries compared with Italy's 4 per cent.

The Soviet Union's publicity with regard to Western arms expenditure and modernization of forces is in striking contrast, too, with its silence about its own practices, though from time to time a Soviet leader will refer proudly to the 'invincible' strength of the USSR or to the navy's growing ability to operate on an international scale. As yet the only restrictions voluntarily accepted by the Soviet leaders on the expansion of their country's military power have been in areas such as strategic arms limitation where an all-out arms race with the United States would be prohibitively expensive (and liable to be lost). In 1978, the Soviet Union began deploying the powerful new SS-20 mobile medium-range rocket equipped with multiple nuclear warheads which are capable of hitting any target in Europe.[6] Soviet ground forces, too, have recently been equipped with powerful new weapons, the air force has taken delivery of large numbers of new aircraft providing it with unprecedented offensive capabilities, and the navy is becoming an increasingly potent force on a global scale.

In a period in which the United States, UK and USSR had begun trying to negotiate a comprehensive nuclear test ban (July 1977–December 1978), the USSR conducted 39 of the 60 nuclear tests recorded, in what the SIPRI 1979 Yearbook calls the most intensive testing programme since 1963. Similarly, with regard to military activities in space, out of 112 military satellites launched in 1978, 91 came from the Soviet Union. The SIPRI 1979 Yearbook also reveals that the USSR carried out tests of 'killer satellites' between 1976 and 1978, thus opening the way to an arms race in space.

Military spending

Military expenditure is a notoriously difficult field in which to make East–West comparisons, a major obstacle being the Warsaw Pact states' secrecy with regard to statistics—and their failure to tell the whole story. The Soviet Government claims that its defence budget is more or less static at a (surprisingly low) figure of 17–18 billion roubles (about US $24 billion). While figures of Western defence spending have been rising over the years because of inflation (though in terms of constant purchasing power expenditure fell consistently), the Soviet Union claimed to be reducing its military budget while in fact producing more and more costly armaments. The conclusion must be that many items of Soviet military spending—such as research and development and mili-

[5] *World Armaments and Disarmament 1979* (London: Taylor and Francis, 1979).

[6] See Richard Burt, 'The SS-20 and the Eurostrategic balance', *The World Today*, February 1977.

tary training—are concealed under non-military headings. The SIPRI Yearbook makes allowance for this practice and puts Soviet military expenditure at US $70 billion.

At the United Nations, Western countries have supported a non-aligned initiative calling for a standard international system of measuring and reporting military budgets. The Soviet Union and its Warsaw Pact allies (except Romania), however, have refused to co-operate and declined to take part in a practical test of the system planned for this year. The Soviet Union's opposition to providing more information about its military spending is jeopardizing international efforts to achieve multilateral, balanced and verifiable reductions in military budgets. Without Soviet participation in the UN system, the problem of reconciling a declared Soviet defence budget of about $24 billion a year with a SIPRI estimate of $70 billion—and a military effort equivalent in Western terms to about $127 billion—remains a major obstacle to progress.

During the 1950s, when plans for worldwide disarmament were being discussed in the UN Disarmament Commission, much attention was paid to the reduction of force levels. In July 1956, the Soviet Union agreed to a United States proposal that each should reduce its forces to 2½ million as a first step towards greater disarmament. This proposal was never implemented. According to the International Institute for Strategic Studies,[7] the level of Soviet armed forces in 1979 stood at 3,658,000—not counting 500,000 internal security forces, railroad and construction troops. The total United States armed forces had fallen to 2,022,000.

Are they serious?

One is therefore entitled to ask the question: 'Are the Soviet leaders serious about disarmament?' When one begins to look at the facts of Soviet behaviour, as opposed to the rhetoric, it is hard to say whether the Soviet Union is the champion of disarmament or rearmament. For all its professions of peace, it remains a country with huge and increasing defence expenditure, and with a constant accumulation of sophisticated nuclear and conventional weapons. Externally, its role as an arms supplier inevitably encourages Third World countries to settle their disputes by violent means, and there is a temptation to use its military power to promote its political interests around the world.

It is clear that the Soviet leaders' attitude to disarmament is crucial to the success of many arms control negotiations. But unless they are prepared to respond constructively to the aspirations of other countries seeking balanced reductions of armaments and arms expenditure through multilateral agreements, and with adequate verification, their disarmament proposals cannot be regarded as genuine contributions to the search for international peace and security.

[7] *The Military Balance 1979–80* (London: IISS, 1979).

Mr Fraser and Australian foreign policy

CORAL BELL

ONE of the surprises of the Lusaka Conference in August was the apparent role of Mr Malcolm Fraser, the Australian Prime Minister. By all the accounts he seems to have emerged as a sort of mediator between Mrs Thatcher and the black Commonwealth Heads of Government like Kaunda and Nyerere, but a mediator whose own view as to what should be done about Zimbabwe Rhodesia was distinctly closer to the African attitude than to that of the British Conservative Party. And this, in an Australian conservative, occasioned some raised eyebrows, both in Australia and in Britain. The Australian Prime Minister is undoubtedly a conservative (though his party is called Liberal) but his foreign policy, especially in regard to Britain, America, China and the Third World, generally bears very little resemblance to those of earlier leaders of his party, like Sir Robert Menzies or Harold Holt.

Earlier this year Mr Fraser asked his intelligence community to prepare a review and reassessment of Australia's strategic position in the world. The 'backroom boys' concerned have now completed this task; the document is classified but it is unlikely that they have come up with anything very surprising in the way of discoveries and recommendations. Yet the call for reassessment was of interest both as a reaction to the shifting balances in the part of the world Australia lives in, and an indicator of Mr Fraser's own particular orientation in the making of foreign policy.

He will have been in office for four years this November, and has won two elections in succession, with convincing majorities.[1] His chief domestic problem, unemployment, might bring him down in the 1980 election unless he can before then reduce it from the present 5·8 per cent, which is very high for post-war Australia. But if luck stays with him on that point, he might prove one of the great 'survivors' of Australian politics, like Robert Menzies, with whom he seems to have some traits in common (mostly ones that make him unpopular with his political colleagues). Even without a possible third or subsequent term, one can say that his *Weltanschauung* has already been quite firmly stamped on Australian

[1] For background see Don Aitkin, 'Australia: another 23 years of Liberal rule?', *The World Today*, June 1978.

Dr Bell is Senior Research Fellow at the Australian National University; author of *The Diplomacy of Detente* (London: Martin Robertson, 1976) and *Agenda for the Eighties* (Canberra: ANU Press, forthcoming).

foreign policy, which is rather more often made by prime ministers and even trade ministers than foreign ministers.

New approach to China

The changes since Mr Whitlam's time have not, however, been quite as predicted by Mr Whitlam's friends or Mr Fraser's enemies (much the same group of people). In fact the continuities of policy as between the two governments are considerably more visible than the differences. This is particularly true with regard to the most important policy initiative of the Whitlam period, the rapprochement with China, after the 23 years in which Liberal governments had refused recognition of Peking. Mr Fraser has not only maintained that rapprochement, he has forwarded it with what his critics see as an indiscreet degree of zeal. That accusation came up recently during the China–Vietnam–Kampuchea outbreak of hostilities in early 1979, when Australian policy was alleged to 'tilt' towards China and against Vietnam, by appearing to condemn the Vietnamese invasion of Kampuchea more strongly than the retaliatory Chinese incursion into Vietnam. The Government of course maintained that it was being even-handed, and indeed the appearance of 'tilt' was mostly created by the cancellation of a small aid-programme to Vietnam, whereas there was nothing of the sort to cancel vis-à-vis China.

Nevertheless, the public accusation (mostly by radical journalists, of all people) of undue partiality towards China probably left the Prime Minister unruffled, if not positively gratified. For he had already signalled very strongly, and probably deliberately, that he interprets the Australian interest as lying with China, not the Soviet Union, in the growing balance-of-power contest between them in Asia and the Pacific.

That earlier strong signal was when he went to Peking, in June 1976, only six months after he came to power, and secured an interview with Hua Guofeng (Hua Kuo-feng), then the chief Chinese decision-maker, since Deng Xiaoping (Teng Hsiao-ping) was just beginning his comeback. Accidentally or not, a confidential transcript of Mr Fraser's conversation with Chairman Hua came into the hands of the Australian journalists who were accompanying the Prime Minister, and was of course published. It was in many ways quite surprising stuff.[2] Mr Fraser not only indicated sharp distrust of the Soviet Union and of détente, and no high opinion of various Asian neighbours, but also appeared to be urging a tacit understanding between China, Japan, the United States and Australia to 'contain' potential Soviet expansionism in Asia and the Pacific. These words were of course highly welcome to the Chinese leadership, and, except for the substitution of Europe for Australia, it is much the line of policy that Deng Xiaoping was urging during his American visit more than two years later. But in 1976 it went markedly

[2] A partial text is in *Financial Times*, 2 July 1976.

beyond anything Washington was contemplating, not to mention Tokyo. Mr Fraser could indeed claim that he was 'prematurely right', in the sense that the other powers have now moved somewhat in the direction he was indicating. However, the first real point of interest about this 'signal' is its demonstration that, in contrast to Mr Whitlam, Mr Fraser's tendency is to think in security terms, indeed in terms of a toughminded *realpolitik*. And second, that he had already reversed the balance-of-power appreciation, as between the two Communist great powers, that had been current among earlier Liberal policy-makers. In the days of Hasluck and Freeth (the late 1960s) there was some rather amateurish toying in Canberra with the notion of the Soviet Union as a makeweight in the balance against China. Mr Fraser, to the contrary, obviously sees China as a makeweight in the balance against Russia. That may be described as a more realistic position, since the Soviet Union, with its long 'global reach', is far more capable of posing a threat to Western (including Australian) interests than China can conceivably be, for several decades at least.

The true difference between Mr Fraser's foreign policy attitudes and Mr Whitlam's would seem to be this substitution of a rather pessimistic realism for an optimistic tendency to assume an inherent harmony of interests in Asia. That might perhaps be interpreted as merely a difference between right-wing and left-wing assumptions, but it is not really that. It is rather a matter of temperament. Mr Whitlam's policies were not genuinely left-wing, and Mr Fraser's might well appear unnaturally radical in some respects to various elder members of his own party. For instance, he talks of Zimbabwe, not Rhodesia, and has been quite outspoken in his condemnation of racialism in South Africa. He even quarrelled with Mr Muldoon, New Zealand's Prime Minister, in the cause of the principle that South African sporting teams had to be multiracially selected before they could become acceptable. Those views are a far cry from his party's stance in Menzies's day.

Assertive nationalism

In Australia's relations with both Britain and the United States there are again marked contrasts with his predecessors as Liberal Party prime ministers. He is neither sentimental about the British connexion in the Menzies manner, nor effusive about the American connexion in the Holt manner. In fact one might say that he has appeared determined on defining himself, both at home and among the decision-makers of the Western world, as a rather abrasive and assertive Australian nationalist. The outside policy-makers most conscious of this would undoubtedly be those in Brussels, where he has waged the battle against the EEC on trade matters with more bluntness than tact or finesse. Or success, for that matter.

His brand of nationalism differs from Mr Whitlam's, however, in one

very vital component: attitudes to the foreign investor. Mr Whitlam may not altogether have shared the almost paranoiac distrust of overseas investors which motivated some of his colleagues, and which (through the 'loans affair')[3] probably helped bring about his downfall. But it is a sentiment which goes back a long time in Labour Party history (it used to be directed against the City of London, whereas now it is directed against US-based transnational companies) and he had to make concessions to it. Mr Fraser's economic theory, to the contrary, looks to foreign investors for the capital-inputs to generate new commercial enterprises, and so reduce the pool of unemployment. And it may work: investment is flowing in at quite an impressive rate, mostly from the United States but also from Japan and Europe.[4] Economic nationalism, in Mr Fraser's case, takes mainly the form of protectionism (which gets him into trouble with South-East Asia) and acerbic arguments with the EEC.

Though economic problems seem to have stimulated most of the substance of Australian diplomatic effort in the past year or two, it is possible to argue that this is rather a temporary preoccupation, forced on the Prime Minister by bleak economic circumstances, and permitted by a relatively low level of perceived military threat. That low level of perceived threat has also allowed him to neglect defence in a rather uncharacteristic-seeming manner.

Strategic reassessment

But changes in diplomatic and strategic orientation in what Dr Brzezinski calls the 'arc of crisis' from South Asia through the Persian Gulf down into Africa have begun to change that attitude, as his call for the strategic reassessment indicates, and a swing back to security preoccupations from economic ones would be quite logical. So would decisions on some long-postponed defence spending. The Prime Minister is said to feel that his defence intellectuals have not come up so far with a coherent, integrated strategic rationale that would provide an adequate guide as to how funds should be spent to best effect to ward off any future threat to Australia. Perhaps that was one of the reasons he called for the reassessment, and perhaps it will provide him with a convincing vision of what ought to be done. In any case, both his chief policy-advisers in this field, the Defence Secretary and the Chief of Defence Staff retired this year, and their successors will no doubt have concepts of their own to urge.[5]

In effect, the basic problem for ten years now has been the difficulty

[3] See Don Aitkin, *loc. cit.*, p. 222, footnote 1.

[4] Of an investment from abroad of $3,000 m. in 1978, about 60 per cent came from the United States and 30 per cent from Britain, with Japan and Europe supplying the rest.

[5] Sir Arthur Tange and General Sir Arthur MacDonald have been succeeded by Mr W. B. Pritchett and Admiral Sir Anthony Synnot.

of defining the likely nature of threat and the probable Australian military role in combating it. Until 1969, the Australian role was comparatively clear. Successive governments accepted the American definition of threat in Asia (which for the 20 years 1949–69 was that such threat came primarily from expansion of the Chinese sphere of power, through Korea or Vietnam as proxies). And they assumed that the Australian national interest required a strong American presence in South-East Asia, and that to ensure such a presence Australia must be prepared to act as a lieutenant in American operations like Korea and Vietnam, and follow the American lead on such matters as pretending that the administration in Taiwan, rather than the regime in Peking, was the government of China. The Guam Doctrine in 1969 and the American rapprochement with Peking ended that phase of Australian policy.

Though Australian governments were slow enough in 'taking on board' intellectually the nature of the American changes, they have been slower still in adapting their own defence and foreign policy concepts to them. There did not, one must admit, originally seem much urgency, since until early 1979 the level of threat in the neighbourhood was officially assessed as very low. Local powers are not militarily capable of posing serious threats to Australia's territory, or to vital interests such as the sea-lanes across the Indian and Pacific Oceans. Indonesia could cause embarrassments, chiefly by becoming embroiled with Papua New Guinea, but it is really only the two super-powers, the United States and the Soviet Union, that have long enough 'global reaches' to pose real dangers. No foreseeable Australian government is going to define the United States as a source of military threat to Australia (whatever the views of some local far-left politicians), so that really only leaves the Soviet Union, short of policy-changes in Japan and China that would reverse all assumptions.

Mr Fraser has certainly in the past been candid enough about defining the growth of Soviet power in the Indian and Pacific Oceans, and in South-East Asia, as the most likely menace in Australia's future. In fact before he came to office, and in his first parliamentary statement on foreign policy as Prime Minister in 1976, he took what was widely construed as a somewhat alarmist line about the growth of Soviet power, especially in the Indian Ocean. Later he was apparently talked out of that viewpoint by a combination of Foreign Affairs bureaucrats, academic experts and prominent backbenchers. But as in the China case, the PM might now claim to have been 'prematurely right'.

Crisis scenarios

For most of the things that have happened in the past two or three years, and particularly since the end of 1978, have conduced to the advancement of Soviet diplomatic influence in the 'arc of crisis' centring on

the Persian Gulf. From an Australian point of view, that arc reaches all the way east to Vietnam, and all the way south to Southern Africa. And it seems disagreeably close to Australia. The Soviet-Vietnamese alliance is no doubt directed primarily against China, but if it brings Soviet air-power down to Danang, and Soviet naval power down to Camranh Bay, Australia as part of the Pacific rimlands is bound to find it disconcerting. And Australia, as part also of the Indian Ocean littoral, is going to seem even more uncomfortably close to the prospective theatre of crisis if tension rises further in the Persian Gulf. Undoubtedly the rapid crumbling of Iran, from a determined and heavily armed ally of the West to a faction-ridden, ferment-racked, non-aligned Islamic republic, is the largest single setback for the security of the industrialized world as a whole since 1949. And since both the prosperity and the security of Australia depend on those of the industrialized world (including Japan), that has been very bad news for Australia. However, the Prime Minister, a bit surprisingly, said in an interview early this year that he still hoped that something would come of the Soviet-American talks about arms limitation in the Indian Ocean.[6] That must have raised a few eyebrows in Washington, where the Carter policy-makers had just been making a demonstration of strength and intended strength in the Indian Ocean, sending in the aircraft-carrier *Constellation*, and a large consignment of arms to North Yemen, and talking of substantial expansion of Diego Garcia. They can hardly expect or want much attention to these arms-limitation talks in present circumstances.

Perhaps the Prime Minister has been too well converted from his previous alarms over the Indian Ocean, perhaps he was doing a little public-relations work with an eye to Delhi (which he had just visited). Or perhaps he is developing a certain ambivalence about the Carter Administration. He would probably have been intellectually more at ease with the straightforward power-political approach of the Kissinger period than with Mr Carter's rather baffling mixture of initial moralism and strategic second thoughts. More serious than these reflexions is the fact that a Persian Gulf–Indian Ocean confrontation must now be rated one of the likeliest crisis scenarios for the 1980s. Even before the Harrisburg nuclear accident (which will greatly set back plans for nuclear power) the mid-1980s seemed likely to be a time of serious world oil scarcity, and therefore of super-power competition for political influence over oil-bearing real estate, such as the Persian Gulf. If there is a confrontation there, the 'east-about' route is going to be beset by even more diplomatic problems, for American power and supplies, than it was in 1973. So extra weight will be on the 'west-about' route. Which might mean that Australia became as important a supply base, and as close to the front line, as in the Second World War.

[6] *The Age*, 5 February 1979.

The Prime Minister, in his first parliamentary statement on foreign policy, in 1976, reflected that:

> The interests of the United States and the interests of Australia are not necessarily identical. In our relations with the United States our first responsibility is to assess our own interests. The United States will unquestionably do the same.

The time may soon be coming when that comparatively cool and detached view of the alliance (a long way from Harold Holt's 'all the way with LBJ') may begin to affect actual policy. And Mr Fraser's initiatives, if such they were, at the Lusaka Conference really sent much the same signal vis-à-vis Britain. Australia has a major strategic interest in the stability of Southern Africa, since it lies on the other shore of the Indian Ocean, a potential theatre of conflict vitally important to Australia. But even though the Prime Minister is a conservative, the Canberra assessment of what will conduce to stability there is not necessarily the same as that of conservatives in London.

Macedonia: perennial Balkan apple of discord

PATRICK MOORE

Historical background

FOR most of the past hundred years Macedonia has been a bone of contention between Sofia and Belgrade,[1] since the possessor of the region would become the dominant Balkan power. The uncertain ethnic character of the majority Slavic population—are they Bulgarians, Serbs or a distinct, late-blooming Macedonian nationality?—has provided suitable waters in which to fish for Bulgaria and Serbia (later Yugoslavia), with their dynamic, young nationalisms. The parties to the dispute have advanced their respective selective historical, ethnic, economic and religious claims over the years without, however, fully convincing the majority of disinterested foreign observers. It is perhaps fair to say that most outside scholars before the Second World War regarded the Bulgarian ethnic argument as valid; the various Macedonian Slav

[1] Athens has not really been involved in the post-war decades on which this article mainly focuses.

The author is Senior Analyst for Bulgaria and Romania at Radio Free Europe, Munich, and has contributed extensively to the series *Radio Free Europe Research*.

dialects are, indeed, closer to literary Bulgarian than to standard Serbian.

As far as the Bulgarians themselves are concerned, ever since March 1878, when Bulgaria was awarded the lion's share of Macedonia by the Treaty of San Stefano only to lose it the following July by the Treaty of Berlin, the acquisition of the region has been the focal point of the country's nationalist programmes and often a key factor in its domestic politics.[2] Territorial gains in Macedonia were at the top of Bulgarian war aims in the First Balkan War of 1912–13; Sofia's perception of having been cheated out of its Macedonian due by Belgrade in that war prompted the Second Balkan War of 1913; and a similar desire to recover Macedonian territory and avenge the earlier disaster was decisive in Bulgaria's decision to side with Berlin and against Belgrade in both world wars. The legacy of these repeated failures has been bitterness, frustration, and something of an inferiority complex for Sofia,[3] but the San Stefano boundaries remain their country's 'rightful' frontiers in the eyes of Bulgarian nationalists.

Belgrade, for its part, acquired large areas of Macedonian territory (Vardar Macedonia) as a result of the two Balkan wars, leaving Bulgaria with a tiny corner (Pirin Macedonia). Over two decades of centralization and Serbianization bred discontent amongst the inhabitants of Vardar Macedonia—or, as Belgrade called it, Southern Serbia—and Bulgarian troops were welcomed in 1941.

The Communists and Balkan Federation

The inhabitants soon grew disillusioned with Sofia's centralized rule, however, and became increasingly receptive to the programme of Tito's Communist Party of Yugoslavia (CPY) for Macedonian autonomy within a federal Yugoslavia.[4] Towards the end of the war the key factors in the Macedonian political equation had become the CPY's power and prestige, and the Bulgarian Communist Party (BCP)'s stigma of being proconsul—albeit a Communist one—of a once again defeated country.

Both the BCP and CPY came to support the idea of a Balkan federation, but each for its own reason. The Yugoslavs felt that Tito's prestige and Belgrade's support for a separate Macedonian nationality throughout the peninsula would enable them to dominate it, while the Bulgarians saw it as the only way in which defeated Sofia could keep a foot in the Vardar

[2] See Marin V. Pundeff, 'Bulgarian Nationalism', in Peter F. Sugar and Ivo J. Lederer, eds., *Nationalism in Eastern Europe* (Seattle: University of Washington Press, 1969), pp. 93–165.

[3] See J. F. Brown, *Bulgaria under Communist Rule* (New York/London: Praeger Publishers/Pall Mall Press, 1970), pp. 266–9.

[4] For a detailed discussion of the Macedonian question over the years, see Paul Shoup, *Communism and the Yugoslav National Question* (New York: Columbia University Press, 1968), and Robert R. King, *Minorities under Communism: Nationalities as a Source of Tension among Balkan Communist States* (Cambridge, Mass.: Harvard University Press, 1973), Chapters 3 and 10.

Macedonian door, a position which would then be reinforced by traditional ethno-cultural bonds between Macedonia and Bulgaria.

By the end of 1944 the Bulgarian Communists had, under Yugoslav pressure, accepted the concept of a separate Macedonian nationality, and promised cultural and administrative autonomy for the Pirin district but pledged its union with Yugoslav Macedonia only when 'conditions were right'.[5] These moves were not popular within the BCP, which kept its grip on the Pirin party and state bodies. The broader question of federation, however, appears to have been discussed in July 1947, when the Bulgarian party leader, Georgi Dimitrov, met Tito at Bled, Slovenia. Subsequently Yugoslav Macedonian cultural workers were allowed to conduct their activities in the Pirin region, but tensions between them and the local Bulgarian officials and citizens reflected the deeper conflict between Yugoslav impatience to acquire the area and Bulgarian determination that the establishment of a broader Balkan federation precede the union of Pirin and Vardar Macedonia.

When Dimitrov publicly raised the question of federation in Eastern Europe at a press conference in January 1948, he was promptly rebuked by *Pravda*. The following month, amid growing tension between Belgrade and Moscow, Yugoslav and Bulgarian leaders were called to the Soviet capital and upbraided for their federalist zeal, but then urged by Stalin to set up a federation 'immediately—by tomorrow!'[6] The Yugoslavs backed off, sensing a Soviet trap to control the unruly CPY through its fusion with the more pliant BCP, and the federation project finally died.

The Soviet factor

Over the next three decades Soviet policy towards Tito would continue generally to set the tone for Sofia's relations with Belgrade, and the level of polemics over Macedonia between the two Balkan neighbours could be regarded conversely as a barometer of Yugoslavia's relations with the entire Soviet bloc. Bulgaria may not always act purely on Soviet command in such matters, but, considering the closeness of Sofia–Moscow ties, it must be assumed that its foreign policy initiatives are at least cleared with the Soviet Union.

Furthermore, regardless of what can or cannot be proven, Belgrade always suspects that Sofia is simply doing Moscow's work. To the traditional Balkan viewpoint that the great powers are constantly meddling in the region's affairs, using their local agents, the CPY adds strong memories of the workings of the CPSU's international policy and of the Soviet bloc in general. Finally, there is the Yugoslav—specifically Serbian—

[5] See King, *op. cit.*, p. 61.

[6] Milovan Djilas, *Conversations with Stalin* (New York: Harcourt, Brace & World, Inc., 1962), pp. 173–86; Vladimir Dedijer, *The Battle Stalin Lost: Memoirs of Yugoslavia 1948–1953* (New York: Viking Press, 1975), pp. 32–3.

disdain after decades of wars and tension for Bulgarians, whom most Yugoslavs do not regard as masters in their own house. The parallels between the timing of Bulgarian escalations of the Macedonian polemic—for example, in 1958 and 1968—and the chills in Soviet-Yugoslav relations do not seem coincidental in Yugoslav eyes, and less dramatic ebbs and flows in the dispute over the years have suggested a similar connexion. Moreover, as Tito has grown older and his era draws to a close, Belgrade has kept watch for Soviet probing and testing through Bulgarian, domestic Yugoslav or other proxies. While it is not likely that in the foreseeable future Yugoslavia will try to acquire Pirin Macedonia, or Bulgaria seek to recover its San Stefano frontiers, and while both countries have participated in politically innocuous inter-Balkan gatherings over the years, Belgrade–Moscow tensions and Sofia's real or perceived role as the Russians' little Balkan brother help make the festering Macedonian question a destabilizing element for Balkan security.

Sofia's policy reversal and Skopje's response

Made under the singular circumstances of 1944, Bulgarian recognition of a separate Macedonian nationality was unlikely to survive changed conditions, including Yugoslavia's expulsion from the Cominform and Dimitrov's death in 1949. Significantly, at the trial of the 'Titoist' Bulgarian Communist leader, Traicho Kostov, in December that year, one of the accused's chief 'crimes' was said to be seeking to sever the Pirin region from Bulgaria.

The policy reversal can be traced through statistics. The 1956 Bulgarian census (as that of 1946) continued to show large Macedonian majorities in Pirin (187,729, or 63 per cent of the population in 1956), while that of 1965 listed only 8,750 Macedonians; finally, the 1975 survey dropped any mention of national minorities.[7]

As elsewhere in Eastern Europe, de-Stalinization following the Soviet dictator's death meant at least some re-emergence of nationalism in Bulgaria. In addition, the newly appointed chairman of the Council of Ministers at the April 1956 plenum, Anton Yugov, had been born in Macedonia and was scarcely averse to a more forward policy towards Yugoslavia. He successfully used his position in the new Bulgarian domestic political balance to dovetail the Macedonian issue with the broader nationalist trend.

The new policy of denying the existence of a Macedonian nationality was not made public until the spring of 1958, by which time the improve-

[7] The head of the Blagoevgrad District (i.e. Pirin) Party Committee told a Yugoslav journalist that 'those who declared during the last [1975] census that they were Macedonians can be numbered on the fingers of one hand', *Vecernje Novosti*, 15 December 1975. However, one Western journalist claims to have found evidence of many people in Pirin who regard their nationality as Macedonian. See *Frankfurter Allgemeine Zeitung*, 8 July 1978.

ment in Soviet-Yugoslav relations begun in 1955 had come to an end with the publication of the Yugoslav party's draft (Ljubljana) programme for its 1958 seventh Congress. This document, which set down a concrete alternative to the Soviet model going beyond mere criticism of Stalinist 'errors',[8] touched Moscow on the raw and the reaction was quick. For its part, Bulgaria could now engage in polemics with Yugoslavia with Soviet encouragement or at least approval.

The first Bulgarian attacks took the form of polemics over historical issues such as the legitimacy of the San Stefano frontiers,[9] or the national character of subsequent events and individuals in Vardar Macedonia. The Yugoslavs retaliated with speeches or articles accusing the Bulgarians of displaying bourgeois nationalism by rejecting the concept of a Macedonian nationality.

The main Yugoslav thrust came from Skopje, where since the war a new party, state, and academic establishment had a vested interest in supporting the principle of a separate Macedonian nationality. The Institute for National History, in particular, was and is highly partisan and prolific, publishing materials in Macedonian and other Yugoslav and foreign languages. Skopje's sensitivity to any challenge to the Macedonian national cause has been typical of fledgling nationalisms throughout the world and has been reflected in the zeal of its polemics over the years. Moreover, one may assume that Belgrade took (and takes) Skopje's sensitivities into account when formulating policies towards Sofia. Indeed, the broader relationships between Yugoslav domestic and foreign policies in general are worth noting. Tito's Yugoslavia has strong social, economic and internal national tensions and, in keeping with age-old political practice, foreign bogeys are trotted out when convenient to divert attention from domestic difficulties.

Finally, even if Communist governments in Belgrade (or Skopje) and Sofia really could stand above nationalism, they might still find emotions among the less ideologically sound masses of these young Balkan nations difficult to control. The fallacy of the Communist claim to have solved the national question and to have instituted a new type of international relations has long been evident in many parts of the globe.

In September 1958, the Bulgarian CP Politburo member and Central Committee secretary, Dimiter Ganev, delivered a major speech attacking 'the great Serbian chauvinists and their Skopje agents [for] demanding that the Macedonian population break relations with everything Bulgarian and give up its past, which is in common with the history of the Bulgarian people'.[10] He added that Vardar Macedonia's population had to use an artificial Serbianized language and was denied the right to

[8] See Zbigniew K. Brzezinski, *The Soviet Bloc: Unity and Conflict* (Cambridge, Mass.: Harvard University Press, 1971), pp. 321–7.

[9] *Rabotnichesko Delo*, 4 March 1958.

[10] *ibid.*, 22 September 1958.

declare its Bulgarian national identity. The Yugoslav reply was to accuse Ganev of the worst kind of greater Bulgarian chauvinism, to contrast the new BCP policy with Dimitrov's recognition of Macedonia's separate national identity, and to suggest that Moscow was behind Sofia's belligerency. A Macedonian Orthodox Church, distinct from the Serbian one, was set up to foster Macedonian consciousness in this region where religion had always been bound up with nationality.

Since 1958, the constantly ebbing and flowing dispute has usually centered on historical polemics, generally in scholarly journals, but sometimes in the ordinary press. Within a spurious 'Marxist' discussion framework the underlying issues are the same old ones: Bulgaria rejects the notion of a Macedonian nationality and is, in turn, accused of discriminating against the Pirin Macedonians. But the debate also includes the accusation, rare in Communist public international polemics, that each side actually covets the other's territory.

The historical context has, none the less, removed the Macedonian question from the centre stage of international relations, in contrast to the pre-Communist era. The Bulgarians in particular have asserted that their historical arguments are merely an attempt to set the record straight in the light of Skopje's alleged distortions, and do not reflect current Bulgarian political ambitions. But the propaganda battle has remained intense and publications in foreign languages have been used to bring each side's case before the international community.[11] No lesser figures than Tito and Zhivkov have sometimes entered the fray.

Communist politics and Bulgarian nationalism

In late 1967, as a decade earlier and again partly for domestic reasons, the Bulgarian leadership decided to take a more aggressive line on Macedonia. This was linked to a broader policy of promoting Bulgarian patriotism, especially among the young,[12] in order to bolster the Communist regime's sagging popularity by identifying it with Bulgarian nationalism. Historical anniversaries were usually the occasion for the new patriotic speeches, articles, etc.

By reviving the Macedonian question at a time when Soviet-Yugoslav relations were good, Zhivkov may have sought to demonstrate some independence of Moscow. Such a policy had brought dividends in domestic popularity for the Romanian leaders, while Zhivkov's own sycophantic praise for the Soviet Union (on which he relied for political survival) had

[11] The output of Skopje's Institute of National History has already been mentioned. The Bulgarian case has been best presented by two lengthy anthologies of documents on the historically Bulgarian nature of Macedonia: M. Voynov and L. Panayotov, eds., *Documents and Materials on the History of the Bulgarian People* (Sofia: Bulgarian Academy of Sciences, 1969), and V. Bozhinov and L. Panayotov, eds., *Macedonia: Documents and Material* (Sofia: Bulgarian Academy of Sciences, 1978).

[12] See Brown, *op. cit.*, pp. 228–39.

apparently irked a good many people even in his traditionally Russophile country. To stress Macedonian themes once again, and particularly when Moscow was courting Belgrade, could have been calculated to give a double boost to Zhivkov's prestige. But in the light of the Bulgarian leader's continued flowery declarations of loyalty to the Russians and other Communist and Balkan political practices in general, it seemed likely that Moscow was working hand in glove with Sofia. Gentle pressure from Sofia on Belgrade could promote Soviet interests by reminding Tito of the value of being on good terms with the Soviet Union and, perhaps, prompt him to support Soviet moves for a world Communist conference. Meanwhile, in Bulgaria, a 'surrogate nationalism' would safely channel feelings of hurt national pride in the direction of the traditional 'Serb' enemy.

A high-point in the rekindled dispute was a speech by Zhivkov in which he claimed the 1903 Ilinden Uprising (which took place in Vardar Macedonia) as one of five crucial junctures in Bulgarian history. The polemics intensified in August 1968, the month of the Warsaw Pact's move into Czechoslovakia, but then abated in September as the Soviet Union sought to regain international face lost by the invasion. Both Bulgaria and Yugoslavia expressed a desire to improve relations, and Sofia formally denied having any territorial claims. But Belgrade's and Skopje's fears were hardly quietened by the Historical Institute of the Bulgarian Academy of Sciences' publication, in November 1968, of a controversial pamphlet on Macedonia which, for the first time, explicitly supported royal Bulgaria's nationalist policy during the First World War. It also cited a 1924 Yugoslav Communist Party document that referred to a Bulgarian but not to a Macedonian population in Vardar Macedonia, and sought to deal with one of the BCP's own embarrassing ghosts from the past by implying that Georgi Dimitrov (of whose stand the Yugoslavs incessantly remind his successors) had been wrong in recognizing a Macedonian nationality. The pamphlet was withdrawn after a few months following diplomatic representations from Belgrade.

Recurring themes and variations

The 'historical' controversy, with its domestic political implications for both countries, continued into the 1970s. While the Yugoslav media displayed nervousness over the various dimensions of the Macedonian question whenever possible, the Bulgarians tended to ignore the issue. Zhivkov himself made the Bulgarian position clear: 'The Macedonian question no longer exists; for Bulgaria Macedonia is simply a geographical term.'[13]

Nevertheless, there remained perennial issues for Bulgarian-Yugoslav polemics, such as the two countries' respective roles in the Second World

[13] Radio Sofia, 10 April 1976.

War. The achievements of the Yugoslav partisans in liberating their country and making their own revolution are understandably a source of great pride to the Yugoslav leadership, and have provided much of the mortar for building a Yugoslav consciousness among the post-war generation. At low points in Moscow–Belgrade relations, the Soviet and loyalist media have frequently belittled the partisans' role, and emphasized the 'importance' of the Red Army in clearing the Germans out of Yugoslavia. This touches a very sensitive Yugoslav nerve, particularly if insult is added to injury by placing the relatively insignificant role of the Bulgarian partisans in their own country on a level with that of Tito's forces in Yugoslavia, or by praising the deeds of Bulgarian troops accompanying the Red Army into Yugoslavia, after Bulgaria left the Axis. The Yugoslavs have, in turn, claimed that Bulgarian units were 'the source of more difficulties and headaches than help', but that Tito and the partisans charitably wanted to restore 'self-confidence . . . to the Bulgarian people (after four fiascos)'.[14] Such bickering maintained a climate in which the Macedonian issue could re-emerge at any time. Moreover, Tito's advanced age increasingly tempted Moscow and Sofia to test Belgrade—or so the Yugoslavs saw it.

In 1978, Bulgaro-Yugoslav relations, which had deteriorated throughout the preceding year, took a dramatic turn for the worse in the wake of a predictable avalanche of writings in both countries on the occasion of the hundredth anniversary of the Treaty of San Stefano. In general, the Yugoslav commentaries were shriller than the Bulgarian, which usually merely referred euphemistically to 'open questions' and 'unresolved problems'.

A new Bulgarian initiative came in a speech by Zhivkov in Pirin Macedonia on 15 June, just five days before the opening of the Yugoslav party's eleventh Congress. The Bulgarian leader offered to sign a joint declaration with the Yugoslavs to 'confirm the principle of the inviolability of frontiers and mutually to disavow any territorial claims . . . immediately . . . tomorrow morning, if need be'.[15] For the Yugoslavs, the offer was irrelevant and misleading: 'the problem of Bulgarian-Yugoslav relations does not lie in the border . . . but in the attitude of Bulgarians towards the Macedonian national minority (in Pirin) and the Macedonian nation in general.'[16] There was no official Yugoslav reply to Zhivkov's offer. For the official Bulgarian news agency (BTA), there was only one conclusion to be drawn: 'Yugoslavia has territorial claims on Bulgaria.'[17] BTA reaffirmed that Pirin and its population were an internal Bulgarian affair and that the inhabitants were historically Bulgarian.

[14] *Review of International Affairs* (Belgrade), 20 March 1975, No. 599 (vol. 26), p. 11.
[15] Radio Sofia, 15 June 1978.
[16] Radio Zagreb, 17 June 1978.
[17] BTA, 24 June 1978.

Escalating Yugoslav-Bulgarian tensions over Macedonia led to yet further exchanges in 1979. The January issue of the Bulgarian Writers' Union journal, *Septemvri*, carried an instalment of the memoirs of Tsola Dragoycheva, a veteran BCP Central Committee member, which dealt with BCP–CPY relations before, during and after the Second World War.[18] Dragoycheva defended the Bulgarian Communist record on Macedonia, accused the CPY of aggressiveness and reiterated that 'today the Macedonian question does not exist for Bulgaria'. But she also argued that Vardar Macedonia's Slavic population had been 'from time immemorial . . . flesh of the flesh and blood of the blood of the Bulgarian soil and Bulgarian nation', and that 'a malicious anti-Bulgarian basis' underlay 'the formation of a Macedonian nation' in Yugoslavia.

The Yugoslav response was so strong that Dragoycheva herself subsequently gave two interviews to the Bulgarian press and television to defend her position against the Yugoslavs' 'hysterical campaign'.[19] In April, Tito himself noted that 'having refused to acknowledge the Macedonian nationality in Bulgaria, [the Bulgarians] have now gone so far as to deny the legitimacy of one of our sovereign republics'.[20] A few days later Zhivkov responded, accusing the Yugoslavs of meddling in Bulgaria's domestic affairs and of poisoning relations.[21] Although the atmosphere improved slightly after the BCP Politburo member, Pencho Kubadinski, visited Yugoslavia for talks in June, press attacks,[22] the essential differences over the Bulgarian refusal to recognize the Macedonian nationality and, finally, the territorial implications of each side's position remain. They most likely will continue to do so as long as Belgrade, Skopje, Sofia and/or Moscow perceive a political interest in keeping the Macedonian question alive.

[18] For a detailed analysis in English, see G.S., with Patrick Moore, *The Macedonian Polemic Rides Again: Tsola Dragoycheva's Memoirs*, RAD Background Report/26 (Bulgaria), Radio Free Europe Research, 31 January 1979.

[19] See *Otechestven Front*, 9 February and 6 April 1979.

[20] Tanjug, 19 April 1979.

[21] *Rabotnichesko Delo*, 28 April 1979.

[22] *NIN*, 8 July 1979; *Komunist*, 6 July 1979. A new round of polemics began in late July over the national identity of a dead poet, Nikola Vaptsarov (1909–1942), born in Pirin Macedonia and claimed by both Sofia and Skopje. See *Literaturen Front*, 26 July 1979; *Otechestven Front*, 1 and 2 August; *Borba*, 9 August, Tanjug, 10 August.

PRINTED IN ENGLAND BY POPPER & COMPANY LTD, WELWYN GARDEN CITY, HERTFORDSHIRE

Give generous
Poppy Week November 5-11
The Royal British Legion
Poppy Appeal.
(This space has been generously donated)

THE WORLD TODAY

Founded in 1945, THE WORLD TODAY is issued under the auspices of the Royal Institute of International Affairs and published monthly by the Oxford University Press.

ANNUAL SUBSCRIPTION (12 issues a year)

Including postage inland and overseas

UK £7

US $20 (by accelerated surface post)

Elsewhere £9

Single copies 70p ($2) post free

Orders may be sent to booksellers and newsagents or to the Oxford University Press, Press Road, Neasden, London, NW10 0DD Telephone 01-450 8080

The Royal Institute of International Affairs is precluded by the terms of its Royal Charter from expressing an opinion of its own on any aspect of international affairs. Any views expressed in this publication are, therefore, the responsibility of the contributors.

ISSN 0043-9134

THE WORLD TODAY
The Royal Institute of International Affairs

CONTENTS

EDITOR: LILIANA BRISBY

Manuscripts and correspondence should be addressed to the Editor, *The World Today*, The Royal Institute of International Affairs, Chatham House, 10 St James's Square, London SW1Y 4LE.

November 1979
Vol. 35. No. 11

Note of the month

THE CAMBODIAN FAMINE

MR Jim Howard, Field Director for Oxfam, reached Phnom Penh on the first of three Anglo-French non-official relief flights from Luxembourg on 26 August, and was allowed to move quite freely outside the capital. His observation that the scale of the famine surpasses the experiences of Biafra and Bangladesh is confirmed by several doctors and journalists. Similar reports have come from north-west Cambodia on the Thai border. It seems likely that the lack of a mass exodus is due to the death or extreme weakness of many potential refugees. Famine was predicted by American officials and Bangkok-based correspondents in April, seeing the general absence of rice-planting after the Vietnamese invasion, but the magnitude and early onset of the catastrophe are due to some peculiarities of the Cambodian case—including the stalling of international aid which in other circumstances would have been flowing some months ago. Action to save the Khmers has come perilously late.

Cambodia is watered by the west monsoon, spanning the middle months of the year, when most planting is done. Satellite photography in early August showed as little as 5 per cent of the cultivable area planted. In late August, Jim Howard estimated over half a million people still on the move, trying to reach their old homes after the break-up of Pol Pot's collectives six months earlier. Other factors inhibiting planting have been fear of killing by Khmer Rouge; flood conditions where dykes have crumbled; shortage of implements, draught cattle and above all manpower for ploughing (the male population was reduced far more dramatically than the female by murder and warfare under Pol Pot); lack of rice seed, sometimes eaten as famine set in, or burnt in the rice stores by the retreating Khmer Rouge; and probably a failure by the Vietnamese military administration (a parallel but dominant hierarchy alongside the Cambodian 'Revolutionary Committees') to give priority, in some areas, to planting programmes.[1] Furthermore, the sudden diaspora at harvest time in January, and fear of Khmer Rouge reprisals, meant that many thousands of hectares were left unharvested: these fields are not easy to plough.

However, contrary to most commentaries, the present famine has

[1] Recent refugees whom the present writer met in Paris in July reported that Vietnamese troops remained immobile as the Khmer Rouge fell upon concentrations of civilians waiting to cross the border to Thailand—in other words, a studied indifference to Cambodia's 'internal problems'.

nothing to do with failure to plant a crop which would not be gathered in any case before December. Rather, the crisis arises from failure to complete the previous harvest last January (for conventional military campaigns in South-East Asia are dry-season campaigns, coinciding with the harvest), removal of food stocks by Vietnamese troops, and Khmer Rouge scorched earth tactics during the retreat. Besides, after nearly four years of extreme hunger and forced labour, the surviving collective workers lacked the reserves of strength to face absolute starvation. However, this is not to say that but for the Vietnamese invasion the Khmer race would have been maintained at the level of three million to which it had probably sunk under Pol Pot. Survivors have spoken of the impending death of whole village communities from privation or purge just before liberation.

On a dispassionate view of the interest of the Khmer people, one can only regret that Thailand has given temporary refuge and transit to the remnants of the Khmer Rouge army, and allows supplies to reach it in its enclaves across the Cambodian border. At the same time, Thailand felt compelled in June to take a tough line on the growing flood of refugees, and repatriated tens of thousands at the risk of their death from starvation or malaria, if not execution by the Khmer Rouge as 'traitors'. Admittedly the Thai authorities felt desperate. Admittedly, too, they tried to funnel the bulk of repatriates into non-Khmer Rouge zones. But by giving refuge to the 'butchers' and refusing temporary shelter to many of their prey, Thailand may have chosen the least rational of its very disagreeable options. The Vietnamese have had to devote a whole year to their military objectives instead of reconstruction (a new dry season campaign is now in progress with massive Soviet support) and 'Cambodia' as a distinct entity becomes less viable with every refugee who dies.

Thailand's hospitality to the Khmer Rouge reflects, precisely, its fear of Soviet-backed Vietnamese hegemony in Indochina, shared by ASEAN and some other states of note.[2] Prince Sihanouk, from Pyongyang, is blaming the final extinction of his people on Peking for keeping the Khmer Rouge resistance alive. Diplomatically, an extraordinary Sino-American-ASEAN-EEC axis contrived to keep the 'Pol Pot government' seated at the UN—by 71–35 on 21 September—after it was deprived first of its speaking right at a non-aligned ministerial meeting at Colombo in June, then of its place at the non-aligned summit at Havana in September under a 'compromise formula' which left the Cambodian seat vacant.[3] (Cambodia was likewise unrepresented at the Geneva Conference on Refugees in July.) Predictably, after the UN rebuff, Hanoi has continued to obstruct major international relief operations which could

[2] See Roger Kershaw, '"Unlimited sovereignty" in Cambodia: the view from Bangkok', *The World Today*, March 1979.

[3] See K. F. Cviic, 'The non-aligned summit in Havana', *ibid.*, October 1979.

serve both to maintain and 'recognize' for purposes of future negotiation the side which Hanoi claims is defunct. For their part, the agencies' demand for control of distribution certainly reflects the political alignments of would-be donors no less than Red Cross ethics and technical considerations.[4] Western governments are concerned partly that the food might go to the Vietnamese army, but they fear also that it would be monopolized by the Phnom Penh government for its population and never reach the civilians controlled by Pol Pot. This is not just a question of even-handed humanitarianism. Hanoi wants the aid operation to acknowledge the autonomy and enhance the legitimacy of its client. But Britain, for one, still has diplomatic relations with the Pol Pot side, established in August 1976 following recognition when the Khmer Rouge conquered Phnom Penh in 1975. Apparently the principle of recognizing the side which controls the capital city is redundant today.

On 5 October the Red Cross and Unicef launched a £50 m. appeal and declared that they would go ahead despite extreme ambiguities in Phnom Penh's position. Britain has offered substantial aid to the agencies and a Hercules aircraft which started a shuttle service between Bangkok and Phnom Penh on 13 October. Humanitarian feeling seems to be overcoming political reservations, but Oxfam's reassuring experience of Phnom Penh's co-operation may also have had some effect. Meanwhile, Australia has sent relief without feeling that this implied recognition of Heng Samrin, and Thailand has made a significant shift in two respects. Firstly, in order to keep Cambodia viable and forestall a new refugee flood, it is cautiously acting as a base for part of the operation (this would ensure that aid reaches Pol Pot as the donors wish). Secondly, it no longer pretends to fear that the Heng Samrin side might benefit more than Pol Pot; on the contrary, it makes activities on a larger scale conditional on Hanoi's agreement.[5] Such readiness to acknowledge the primacy of Vietnam in Cambodian affairs is being evinced by other ASEAN states and now EEC. This may enable Hanoi to lower its profile besides softening its position on relief. The West is understandably reluctant to yield to blackmail again after accepting, at Geneva, Hanoi's pretence that the boat people were 'voluntary emigrants' and also the responsibility of the receiving nations. But since China's punitive incursion into Vietnam failed to change the realities in Cambodia, it seems pointless to cling to the chimera of a 'Pol Pot government'. Land-hungry Vietnam would have had nothing to lose if we had bowed to China's *realpolitik* and let the famine rage.

[4] Red Cross/Unicef negotiations began in mid-July following Phnom Penh's appeal on the 8th. By 10 October only six relief flights had left Geneva.

[5] Civilian refugees from the Vietnamese offensive have latterly been fed inside Thailand and not forced back. This could facilitate the coup de grâce against Pol Pot.

ROGER KERSHAW

Revolution and revolt in Afghanistan*

RICHARD S. NEWELL

THE coup of 27 April 1978 (7 Saur) which brought the Khalq (Masses) party into power has profoundly and permanently changed the course of Afghanistan's history. Two centuries of rule by the Muhammadzai dynasty have been brought to a definitive end. Afghanistan's role as an international crossroads has been exchanged for exclusive identification with the Soviet bloc. Yet, mounting evidence of resistance to Khalq's Democratic Republic of Afghanistan leaves the future of the country very much in doubt. This article examines how Khalq seized power and the implications of the possibility that it may lose it.

Khalq's coup generated little immediate resentment. After nearly five years the Daoud regime was unpopular. The leftists who had helped Daoud come to power in 1973 had been forced out of the government; religious conservatives had been alienated, persecuted and forced to flee the country; moderates had been politically ignored.[1] This loss of support from articulate or organized groups was not offset by effective alliances with traditional leaders in the countryside. Khans and other rural notables resented the posting of tactless and doctrinaire leftists to provincial governorships.[2] In foreign affairs, Daoud's moves to conciliate Iran and Pakistan and to attract economic assistance from Saudi Arabia and the Persian Gulf states gave the Russians little reason to restrain their Marxist protégés inside Afghanistan from attempting to bring down his Republic. Isolated politically, Daoud's regime had become almost exclusively dependent upon its military and security forces. Their subversion would make it possible to bring the Republic to a swift and total end.

The suddenness of Khalq's success appears to have astonished the coup makers themselves. Their subsequent propaganda has repeatedly

* Preparation of this article would have been impossible without the help of informants whose personal knowledge of recent events in Afghanistan far exceeds mine. They do not wish to be identified. I take full responsibility for any errors of fact and interpretation that have crept into this account despite their counsel.

[1] For the July 1973 coup, see Stephen Oren, 'The Afghan coup and the peace of the Northern Tier', *The World Today*, January 1974.

[2] Louis Dupree, 'Toward Representative Government in Afghanistan; Part I The First Five Steps', *American Universities Field Staff Reports*, 1978/1. p. 1.

Mr Newell is Professor of History and Asian Studies at the University of Northern Iowa; author of *The Politics of Afghanistan* (Ithaca, N.Y./London. Cornell University Press, 1972). This article appears simultaneously in German in *Europa-Archiv* (Bonn) and in Dutch in *Internationale Spectator* (The Hague)

described the feat.[3] These accounts also throw considerable light on to the difficulties they have faced in retaining popular support. Khalq's dilemma is epitomized in its insistence that it did not come to power through a clever coup, but as the result of a sweeping social revolution.[4] The absence of labour and agricultural groups from any part in the coup belies this claim.

It was repression of Afghan Marxists by the Daoud government which triggered the coup. In retaliation they stepped up efforts to subvert the armed forces. The coup was initiated when Daoud's security police began an assault upon leading Marxists. The precipitating event was the assassination of Ali Akbar Khaibar, a leader of the leftist Parcham (Banner) party. Accusing the government of the murder, Marxists staged protest demonstrations. The government replied by arresting their leaders. These arrests set in motion a pre-arranged plan for a coup.

The plan called for armoured units stationed in Kabul's suburbs to seize strategic installations including the national radio while blocking the entry of loyal units into the city. It succeeded when a joint air and armoured attack on the presidential palace destroyed the resistance of the presidential guards. Many military units continued fighting, but lack of co-ordination and sorties by the Khalq-controlled air force brought significant resistance to an end within 24 hours. Desperate and bloody fighting had occurred. Estimates of the dead in and near Kabul range from 2,000 to 10,000.

Perplexing questions are raised by the success of the coup. Despite the Daoud government's awareness of the immediate possibility of a coup—the armed forces were placed on alert at the time of the arrests—it apparently failed to detect a conspiracy involving large numbers of air force and army officers which had been developing for more than two years. The police failed to intercept detailed instructions for launching the coup sent by its key organizer, Hafizullah Amin—now the leader of the Khalq government—while he was under house arrest. His guards permitted his children to carry messages to his confederates waiting outside his house. This incompetence was matched by the failure of the government to execute the arrested Marxists once it knew that a coup had begun.[5] Thus both brilliant tactics and the weaknesses of its opponents propelled a group into power whose character and goals were little known at the time.

The rise of Afghan Marxism

Marxism made little impact on Afghanistan prior to the founding of the People's Democratic Party (PDP) in January 1965. Its history is

[3] See, for example, the account published by the official newspaper, *Kabul Times*, 30 October 1978.
[4] *ibid.* [5] *ibid.*

closely associated with the career of Nur Muhammad Taraki, the first President of the Democratic Republic of Afghanistan. Born a Ghilzai Pushtun near Ghazni in 1917 and largely self-educated, Taraki devoted his career to the destruction of the Afghan monarchy. The method was to evolve over two decades of writing and preaching resistance or rebellion. By the late 1950s it had been distilled into what Taraki called the 'scientific revolution of Marxism'.[6]

Taraki was active in the vaguely Marxist reform movement of the late 1940s. When the monarchy suppressed it, he allowed himself to be co-opted by the government and was assigned in 1953 as embassy press attaché at Washington, D.C. In that capacity he issued a denunciation of his own government as corrupt and oppressive.[7] A month later Taraki appears to have recanted, claiming that press reports of the denunciation were 'baseless'.[8] This change came after he had abandoned his plan to seek asylum in Britain and was about to re-enter Afghanistan. His statements and actions at the time indicate that his views were far from being completely Marxist. His critique of the Afghan government was coupled with an appeal to 'the American people'[9] to help change the situation, hardly a position to be taken by a Marxist at the peak of the Cold War. The decision of the government not to arrest Taraki upon his return to Afghanistan, while it imprisoned a number of moderate critics, suggests his radicalism was not feared.

Taraki has since been lionized as the founder and oracle of Afghan Marxism. He emerged from a long period of agitation as a visionary with a romantic sense of his revolutionary role. His official biography reveals more about him than perhaps intended in reporting that Taraki telephoned Prime Minister Daoud after his return to Kabul in 1953 to say, 'I am Nur Muhammad Taraki. I have just arrived. Shall I go home or to the prison'?[10] It appears that if he could not make a revolution, Taraki wanted at least to make an impression.

The practical work of organization was left to others. Much of the credit for this is attributed to Hafizullah Amin, who is also a Pushtun of rural background (from near Paghman). Trained as a school teacher, his talent for administration was recognized and he was sent for graduate study in education to Columbia University in 1957. He returned with an M.A. to join Kabul University and was later appointed as principal of the Kabul Teacher Training High School. Returning in 1962 to Columbia to continue his studies, he became deeply involved in the affairs of the Afghanistan Students' Association, being elected its president in 1963. He returned home in 1965 and plunged into revolutionary politics as a member of the PDP. He ran unsuccessfully for a seat in the newly formed

[6] *ibid.* [7] *New York Times*, 12 November 1953, p. 6.
[8] *ibid.*, 17 December 1953, p. 9. [9] *ibid.*, 12 November 1953, p. 6.
[10] *Kabul Times*, 30 October 1978.

popular national assembly in 1965, but was elected in 1969 and served as an active, articulate member.

Members of the PDP can be characterized as frustrated beneficiaries of the opportunities that became available to educated Afghans after 1950. They appear to have been brought together by the bonds of ambition, energy, anger and expectations which the cautious governments under Zahir Shah could neither harness not satisfy. Many of the Khalq leaders have academic backgrounds, eight of the 18-member Cabinet serving in April 1979 having taught at the university. The party's Politburo at the time, Taraki, Amin, Shah Wali and Saleh M. Zeray—both physicians, and Dashtagir Panjshiri and Mahmud Sooma—both former university professors, reflects the burgeoning of education.

The cadre of the party is the product of the recruitment of university, professional and secondary school students. Amin proved to be a persuasive recruiter, particularly of those who attended the schools where he was principal.[11] From this process Taraki's followers grew into a cohesive, conspiratorial organization. Its members were drawn from rural areas, although initiation took place in the classrooms, dormitories and meeting places of Kabul. Many of them were Pushtuns due to Amin's crucial role as recruiter.[12]

The founding of the PDP brought together Taraki's and Amin's followers with others in Afghanistan's first avowed Marxist organization. The party was to follow a generally Soviet ideological line, but ideology appears to have little to do with issues that tormented it and split it into several factions. Two of these have since dominated Marxist politics in Afghanistan, and their rivalry has run deep enough to justify classifying them as separate parties: Khalq led by Taraki, and Parcham by Babrak Karmal. Much of the rivalry has been personal. Following government suppression of Khalq's newspaper in 1966, Taraki bridled when Babrak's followers were able to publish *Parcham*. Mutual recriminations tore the PDP apart. It did not unite until goaded by Daoud's repression and encouraged by the Russians in 1977.

Their personal rivalries appear to be reinforced by cultural and ethnic differences. Pushto is the preferred language among Khalqis while the Parchamis are identified with Dari and significant participation by Tajiks. The rustic sensitivity of the Khalqis is suggested by their claims that Babrak had Muhammadzai connexions.[13]

In 1973 the Khalqis suffered the humiliation of watching their Parcham rivals take power as allies of Daoud. Before the Parchamis were purged

[11] Personal communication from a graduate of the Kabul Teacher Training High School.

[12] *ibid.* Before his acceptance of Marxism, Amin preached a doctrine of Pushtun dominance to his pupils, including strong support for then Prime Minister Daoud's belligerent policy on Pushtunistan.

[13] *Kabul Times*, 30 October 1978.

by Daoud, the Khalqis launched an effort to duplicate Parcham's subversion of the armed forces. Hence there was ample reason for distrust between these Marxist rivals when they came to power jointly in April 1978. Parcham with its demonstrated penetration of the armed forces and the civil administration appeared to present the greatest threat to Daoud. Thus the shock produced by the 7 Saur coup was compounded by the emergence of Khalq as the dominant partner.

Distance between coup and revolution

The 7 Saur coup was met with acquiesence partly because of initial uncertainty over the composition of the leadership. Babrak and the Parchami members of the previous government were better known than their Khalqi counterparts. Khalq was perceived as more nationalist that Parcham because the latter had demonstrated its close ties with the Russians after the 1973 coup. Thus, the initial naming of Taraki as Prime Minister and Chairman of the Revolutionary Council—Babrak was forced to accept equal status with Amin as Deputy Prime Minister—suggested that with Khalqi dominance the new government might steer a nationalist and cautious course. Events were to bring an ironic twist to such expectations.

Within three months the coalition had broken apart. Babrak and five other Parchamis were purged from the Cabinet and assigned to East European capitals as ambassadors. They were later fired and branded as traitors when they refused to return. In August, General Abdul Qadir, Minister of Defence and the Air Force hero of the revolution, was accused of plotting to bring Parcham back to power. Unofficial sources claim that his fall resulted from his opposition to growing Soviet military influence. The last three Parchami Cabinet ministers were removed in early 1979. Meanwhile there had been a continuous purging of Parchamis from the bureaucracy and the military which may have reached its peak in March after the regime was badly shaken by a revolt in Herat.[14]

Once rid of its Marxist rivals, Khalq embarked on a series of actions which placed its radicalism and willingness to lean on the Russians beyond all doubt. In mid-October 1978, it introduced a red revolutionary flag modelled after those of the Soviet Republics. This was quickly followed by a 20-year treaty of co-operation with the Soviet Union which bound these unequal neighbours together economically, politically and militarily.[15] Meanwhile Khalq initiated sweeping changes in land tenure, education and social relations.

Khalq's reforms appear to be crude applications of Marxist class theory to a society for which it is ill-fitted. Its land reform policy provides the most telling example. It prescribes extensive redistribution in favour of

[14] Jean François le Mounier, *Agence France Press*, 23 March 1979.
[15] *New York Times*, 6 December 1978.

poor or landless peasants. It mistakes what are frequently social relations for economic relations. The principal divisions of Afghan society are horizontally, not vertically, related. Segmental units are the most significant: the household, lineage, clan, tribe, settlement or village and ethnic group.[16] Variations of property, status, influence and power within such units are commonly offset by scope for individual self-assertion and social mobility. Moreover, Afghan khans and other local leaders are expected to protect their clients from intrusions by the central government. Hence institutions of land control, tenancy and labour service are often linked to the performance of local leaders in maintaining local autonomy on the basis of consesus within the community.

Hierarchical relations are most evident where one ethnic group dominates others. Within the past century, this has most commonly occurred when Pushtuns have encroached upon Tajik, Uzbeq and Hazara communities in northern and central Afghanistan, often with the support of the Pushtun-controlled central government. Equitable land redistribution therefore would require the Pushtun-dominated Khalq government to reverse this process, a task which raises doubts about its understanding or its sincerity about its avowed intentions.

By the spring of 1979 the government had announced the expropriation of 3,000,000 acres to be redistributed among 300,000 farm families.[17] No indication of which ethnic groups are gaining or losing from such transfers has been given. Indeed, such claims are questionable in view of the lack of records, communications and trained, supervised and motivated personnel for conducting such a complex task within a few months. Those land transfers which have been carried out have produced unwelcome responses. It has proved more difficult to separate khans and landlords from peasants than Marxist analysis had predicted.

Miscalculations based on class analysis have also led to popular resistance to other policies. The greatest resentments have come from tactless attempts to abolish bride price as traditionally negotiated between families and to enforce a minimum age for marriage. Such measures are seen as threatening the integrity of the family at all levels of Afghan society. Resentment has also been intense towards the introduction of blatantly Marxist indoctrination into the school curriculum.

The Khalq government appears to expect that wealth transfers and indoctrination will eventually bring the bulk of the population to its side. Its rhetoric anticipates this, e.g., 'Our party . . . is a protector of the interests of 98 per cent of all the people of Afghanistan. . .'[18] Yet, what

[16] A number of anthropologists have stressed this aspect of Afghan society. See, for example, Jon W. Anderson and Richard F. Strand, eds., *Ethnic Processes and Intergroup Relations in Contemporary Afghanistan*. Occasional Paper No. 15, The Afghanistan Council of the Asia Society.

[17] Anthony Hyman, *United Press International*, 25 May 1979.

[18] Amin speaking at a press conference, *Kabul Times*, 23 September 1978.

appears to have been intended as the first phase of the revolution has badly miscarried. The masses have not turned upon their 'exploiters' and accepted guidance towards a classless society. Instead Khalq has had to focus all of its energy upon surviving a popular revolt. Its prospects now suffer from two further liabilities: its alleged incompatibility with Islam and its obvious dependence upon the Russians. The identification of Marxism with atheism has been impossible to deny; hatred of the Russians has been underlined by assassinations of Soviet travellers caught unprotected in the countryside and atrocities committed against them when captured by rebels.

Having lost the initial indulgence of the population, Khalq has proved its inability to play a revolutionary vanguard role. It appears to have been trapped by the limitations of its clandestine experience prior to gaining power. While most of its members have rural backgrounds, they appear to have turned to Marxism partially for personal vindication when they failed to realize the modern expectations they discovered in the cities. Their sudden propulsion into power left them with virtually no preparation for wielding it. Khalq's revolutionary fecklessness has been aggravated by the flaws in its leadership. The coup provided ample opportunity for the expression of Taraki's egomania and Amin's megalomania. Taraki assumed the title 'Great Leader', his posters were everywhere and the press worked hard to portray his career as heroic. His qualifications as a revolutionary were those of a romantic dogmatist imprisoned by the adulation of the few malcontents he converted. His assumption of power was mostly the accomplishment of Amin. No ideologue himself, Amin applied Taraki's teachings to the resentments and ambitions of the marginal intellectuals and Soviet-influenced officers he recruited. As a strategist of radical social change, he has little or no experience. Since the coup he has exhibited a ruthless urge for power. Once rid of his Parchami rivals, he manœuvred Taraki into the partially figurehead role of President of the Republic while he took the posts of Prime Minister and Defence Minister. His dominance over the party and the government produced resentment which appears to have led to an unsuccessful attempt by high-ranking Khalqis to kill him on the weekend of 14–16 September. Taraki was disabled in the course of this struggle and Amin emerged apparently in complete control.[19] The seriousness of the damage done to the unity of the party and the loyalty of previously staunchly loyal army and air force units remain uncertain.

The popular revolt

Resistance has spread from outbreaks in Badakshan and Nuristan in

[19] On 9 October Kabul radio announced the death of Taraki from 'a serious disease' without mentioning the gun battle in mid-September in which he was reported to have been wounded.

the summer of 1978 to a rural uprising involving nearly all of Afghanistan's regions and ethnic groups. Most resistance has resulted from clashes between the government and local communities. Usually these have involved official acts which are seen as intrusions into social practices sanctified by customary interpretations of Islam. Yet, while locally expressed, these spontaneous uprisings share the common national emotions of fear that Islam is in danger and dislike of government intervention. Khalq has failed to win the support of those elements which its reforms are intended to benefit largely because such reforms require a sharply increased presence of government at the local level.

Resistance remained localized until late in 1978. By the following spring, attacks upon government installations had spread across the whole country. Kabul's authority in most regions has become nominal, often restricted to daylight hours. Effective control is limited to towns and outposts manned by concentrations of troops. No effective militia forces have been mobilized to give the government a presence in the countryside.

The pattern of the rebellion sets limits on both sides. Co-ordination between rebel groups is difficult. Police and military units are thinly scattered within strong points and increasingly must depend upon air drops for supplies and reinforcements and the shock use of jets, attack helicopters and the deployment of Soviet commando units to break up rebel formations.

By summer 1979, security was uncertain even in the largest cities. Uprisings, mutinies or attacks had occurred at Herat, Jalalabad, Kandahar, Pul-i-Khumri and perhaps at Mazar-i-Sharif. There were street demonstrations in Kabul in June and a short-lived mutiny in August. The dependents of senior government officials were evacuated to the Soviet Union early in the summer; government operations appear to be increasingly restricted to military bases in or near the capital.[20] Resistance within the cities has been suppressed, but at the cost of relying nearly totally upon the logistical and firepower support of the Russians. With Soviet backing the government appears to be able to repulse attacks on the cities, as it did against a large tribal force at Jalalabad in June.[21] Without substantial outside assistance the rebels cannot expect to win such set battles.

Their hope lies in further disintegration of the armed forces from purges, mutinies and desertions. There have also been surrenders of units defeated by rebels, particularly in Nuristan and Kunar. The government has tried to offset such losses by recruiting from the same urban groups that supplied its cadre: university graduates and students and young school teachers. Military units have been stiffened by political indoctrination cells staffed by party members on the Soviet model. This makes

[20] *Asia Weekly*, 15 June 1979. [21] *Washington Post*, 16 July 1979, p. A12.

possible the assignment of Soviet military advisers—often Persian speakers from the central Asian republics—down to the small unit level. Such measures have been most effective in creating élite units concentrated at Kabul. Young urban recruits fight at a serious disadvantage in the countryside.

The outcome of the struggle will depend largely upon the functional and ideological cohesion of the rebellion. Thus far it has operated on two levels: the local uprisings and émigré groups operating from the trans-Indus region of Pakistan. The groups inside Afghanistan have provided nearly all the manpower, most of the weapons and on-site leadership. The outside groups have attempted to provide overall co-ordination, to win world sympathy and support, and to develop a consensus regarding the goals of the rebellion.

Every shade of Afghan opinion is represented within the refugee groups. Their activities are nervously overlooked by the Pakistan government whose own instability aggravates the embarrassment it feels in trying to avoid friction with Kabul and the Russians. Eviction of the Afghan rebels would risk trouble from Pakistan's Pushtuns.

The character of the refugee leadership is likely to be crucial to the course of the rebellion. It is riddled with rivalries, vague as to its goals and closely identified with Islam. The organization with the greatest international recognition is the Afghan National Liberation Front (ANLF) led by Sibghatullah Mujadidi. He is the scholarly scion of the Mujadidi family which, since its migration from India early in this century, has presided over centres of learning and religious charities in Afghanistan's major cities. An opponent of Daoud, Mujadidi spent five years in his prisons. He represents cosmopolitan and moderately reformist Islam. Widely respected in the Islamic world, he convened a meeting to found the ANLF in June 1978 with some assurances of support from conservative Muslim states.

The ANLF has attempted to be the umbrella organization for the rebellion. Last December it invited Afghans of all political persuasions to unite against Khalq. Its declared aim is to install a government 'founded upon Islamic teachings and our own traditions of democracy'. It promises to oppose one-man or one-party rule and 'to strive for establishment of an economic and social order consistent with the Islamic concept of justice'.[22] It has received the support of most of the émigré rebels, but rivalries against and within the front have limited progress toward unity.

Mujadidi competes with Sayyid Ahmad Jailani, heir of a distinguished Sufi family from Baghdad which has served as spiritual mentor to the Pushtun tribes of Paktiya. Through this connexion Jailani can claim the loyalty of a larger number of rebels in Afghanistan than can the ANLF.

[22] Afghan National Liberation Front, 'The Communist Regime of Afghanistan as a Threat to Peace in the Middle East', Declaration issued in March 1979.

Jailani has remained aloof from the front, although a degree of co-operation has been achieved.

The groups which are affiliated with the ANLF are widely separated by their goals, their connexions with the fighting inside Afghanistan and the ambitions of their leaders. The Jamiat-i-Islami led by Burhanuddin Rabani takes a fundamentalist Islamic view of the state. The Hizb-i-Islami led by Gulbuddin Hikmatyar is more secularly oriented, but is also more conservative than Mujadidi; it has organized effective commando-type units for service inside Afghanistan. On Mujadidi's left is the Harket-i-Inquilab-i-Islami of Malawi Muhammad Nabi which offers social revolution within the tenets of Islam. In addition, there are regional-cum-ethnic groups represented in the front such as the Hazaras and the Nuristanis, both of whom have attempted to establish governments autonomous from Kabul in their regions.

These organizations have created an information network linking rebel groups within Afghanistan, but they have little capacity to provide supplies or co-ordinate activity. Opportunities to combine attacks with mutinies within the army have thus been lost. Consequently the military potential of the revolt remains far from fully developed.

Without the sudden collapse of the Khalq government or a Soviet decision to withdraw, the rebellion appears likely to settle into a protracted struggle as have rebellions in Eritrea, the Southern Sudan or Vietnam. However, the process in Afghanistan will most probably be different. Khalq is more dependent upon foreign support than were governments in those instances. Should the struggle drag on, it could bring fundamental changes that would leave Afghanistan neither traditional nor Marxist.

In its early phase religious leaders have been most prominent in organizing the external fácets of the rebellion. Opposition guided by Islamic saints and scholars has been common in Afghanistan's recent history, but there is no precedent for rule by Sunni leaders such is now being attempted in Shia Iran. No one Afghan religious leader has come close to embodying the revolt as did the Ayatollah Khomeini. To be ultimately successful the rebellion must be linked to a process which will fill this vacuum.

Khalq's failures have weakened the central instruments of government created by its predecessors. The armed forces have become the transparent tool of a foreign power, the small, moderate middle class faces near extinction as the government attempts to eliminate its enemies, the royal family has been decimated, exiled and has little declared support from active rebel groups. Thus, should the struggle persist, it is likely to solidify in the hands of traditional, largely rural, leaders who must pick up the pieces and perhaps reach an accommodation with the Soviet Union.

The position of such leaders would be ironic and precarious. Their classic functions have been to resist and attenuate the force of central rule. Carried to a successful or partially successful conclusion the revolt will require some among them to create a new and viable central order. This will be a daunting task regardless of the guidance to be gained from 'Islamic teachings and our own traditions of democracy'. Little consensus is now apparent beyond revulsion towards the Khalq government. Instead, the centrifugal forces which have remained close to the surface throughout recent Afghan history are at present actively represented by groups waging the revolt. Success in destroying the Khalq government would require building central authority from a new foundation. As forces of region, language and ethnic group reassert themselves and react to the ideological poles of orthodoxy and modernity, the vortex of violent change in Afghanistan seems certain to produce a process which will be long, painful and beyond prediction.

The Soviet Union and the Arabian Peninsula

ALVIN Z. RUBINSTEIN

Opportunism, not ideology, impels Soviet policy, which has taken advantage of, but not determined, the setbacks to Western interests.

THE differentiated policy Moscow has pursued in the Third World in the past generation is very much apparent in Soviet attempts to penetrate the Arabian Peninsula, and it clearly shows the adaptability, persistence and pragmatism as well as the opportunism and low-risk character of that policy. Soviet interest in the Arabian Peninsula is natural. A geographically strategic land mass lying to the south of the USSR's Muslim, non-Slavic union-republics, and flanked by busy sea routes whose choke points at the Strait of Hormuz and the Strait of Bab-al-Mandab expose Western economic vulnerability, the peninsula is an obvious target for US-Soviet rivalry in the Middle East.

The Soviet Union's interest in the Arabian Peninsula was first manifested in the late 1920s and early 1930s, when Moscow established rela-

Mr Rubinstein is Professor of Political Science at the University of Pennsylvania. He is the author of *Red Star on the Nile: The Soviet-Egyptian Influence Relationship Since the June War* (Princeton, New Jersey: Princeton University Press, 1977) and other works.

tions with Yemen and Saudi Arabia. However, the essentially marginal commercial ties never took hold. Not until the mid-1950s did Moscow again actively seek to penetrate the Arab world, this time with the focus on Egypt, Syria and Yemen. In each instance it was the polarization produced by intra-Arab world rivalries or hostility towards a Western power that provided the USSR with its entrée. Later, the Arab-Israeli conflict greatly enhanced Moscow's attraction for the Arabs.

Moscow's attempts to establish firm footholds on the Arabian Peninsula have lagged far behind its efforts in other regions, in part for want of opportunity, but also because the less explosive political tensions offered few quick rewards. Post-Stalin Soviet diplomacy made its first inroad in the peninsula with the treaty of friendship signed with Yemen in Cairo on 31 October 1955. However, not until 1968 did the USSR become directly and intimately involved in the Yemeni sector. Its readiness to assume extensive economic and military commitments in pursuit of strategic interests in the Arabian Peninsula was first demonstrated in Iraq.

Soviet-Iraqi relations

A military coup in Baghdad on 14 July 1958 overthrew the pro-Western Hashemite monarchy and brought the Soviet Union into an important tributary of Middle East developments, quite independently of its growing involvement in the Arab-Israeli conflict. For the next decade, Soviet-Iraqi relations went through a trying period, primarily as a result of the changing fortunes of the Iraqi Communist Party. But this did not prevent the steady expansion of government-to-government ties, because, regardless of the group in power, Baghdad pursued an anti-Western policy, which Moscow found congenial.

By the late 1960s, with the Baath party in power, a relatively halcyon period was ushered in, with Moscow looking favourably on the Baath's anti-Western and radical orientation, its determination to settle the Kurdish issue, its greater tolerance of local Communists and its growing reliance on Soviet assistance. Not only did Moscow's concern over its southern tier ease as a consequence of Iraq's non-alignment and the Shah's decision in 1962 to bar US military bases or missiles from Iranian territory, but its intrusive activities in the Gulf and Arabian Peninsula region were facilitated by changes in the strategic environment: the end of the British imperial presence in the Gulf, the creation of independent mini-states along the eastern littoral of the Arabian Peninsula that fuelled the residual Iraqi-Iranian-Saudi rivalry, and the growth of Soviet military capability.

Symptomatic of the improving Soviet-Iraqi relationship was the 15-year Treaty of Friendship and Co-operation, signed on 9 April 1972, which strengthened the expanding co-operation and gave Moscow

regular access to Umm Qasr. The treaty helped convince Baghdad of Moscow's readiness to back the Baath's decision to settle the Kurdish problem, nationalize Western oil holdings and oppose the threat from Iran. When, in March 1974, the Kurds rejected the Baath's offer of limited autonomy, and the civil war gradually resumed, Moscow sided with Baghdad. The Soviet leadership deserted the Kurds and, by showing its support for the Baath, dissuaded the Shah from interference. Its aim was to consolidate relations with Iraq, but also to prevent an Iraqi-Iranian conflict that could have scuttled the Soviet-Iranian rapprochement. It succeeded well, using a limited display of military force (overt shipments of sophisticated weaponry and occasional strafing runs by Soviet-piloted MiG-25s along the Iraqi-Iranian border) without alienating either party. The Iraqi-Iranian agreement of March 1975 sealed the fate of the Kurds and exempted the USSR from having to take sides in a regional conflict whose outbreak would have jeopardized its quest for better relations with both countries. The Soviet Union proved, in this instance, to be a force for stability and the territorial status quo. Yet Soviet influence did not increase appreciably.

In the years since, Soviet-Iraqi relations have been far from intimate. Moscow remains Iraq's principal source of arms (for cash), but the Baath has begun to diversify its suppliers; Soviet-Iraqi economic ties are extensive, but Baghdad looks increasingly to the West for major imports of technology and equipment, much to Moscow's annoyance, and it has even shown an interest in resuming diplomatic ties with the United States. The relationship has been strained by far-ranging differences: over the Arab-Israeli problem, Iraq refusing even to accept UN Resolutions 242 and 338 as a basis for a possible settlement; over clients in the Horn of Africa, where Iraq supports Eritrean separatists against the Moscow-backed Ethiopian regime; over Iraqi Communists, who are represented in the Baath government but are periodically executed for organizing party cells in army units; and over Moscow's quest for privileged treatment, which the Baath has generally refused, even to the extent of forcing the Soviet embassy in Baghdad to move house because of Iraqi suspicions that the Russians were monitoring discussions in nearby government buildings. However, these disagreements have up to now been kept under control because of shared opposition to US policy, Iranian ambitions (under the Shah), Sadat's opening to the West and the Egyptian-Israeli treaty of 26 March 1979.

The erratic course of revolutionary changes in Iran could disturb Soviet-Iraqi relations. For example, now that the Shah has been overthrown, the weakening of the central government in Tehran and the upsurge in Kurdish and Azerbaijanian nationalist pressures could attract the kind of Soviet involvement that would complicate Baghdad's suppression of its Kurdish population; or, if there is a spillover of religious

unrest from the Iranian revolution to the Shiite 'silent majority' in Iraq, now ruled by minority Sunni Muslims, the consequent strains in Iraqi-Iranian relations might force the Russians to take sides—and with the Shah gone, Tehran espousing non-alignment and anti-American policies, Iranian natural gas increasingly important to Soviet economic planning and the Tudeh (Communist) Party rearing its head again, Moscow might opt for Iran over Iraq. Certainly, the Soviet Union is going to find it more and more difficult to play the 'honest broker' between Iraq's radical Arabism and Iran's revolutionary Islamic fundamentalism.

Moscow's objectives in Yemen

The Yemeni sector of the Arabian Peninsula, stretching in a northerly direction along the Red Sea and eastwards along the Gulf of Aden, has received attention second only to Iraq in Moscow's quest for strategic footholds on the peninsula. Shortly after the 1955 treaty, Moscow gave Yemen small amounts of military and economic assistance to encourage its opposition to British rule in the Aden-South Yemen region. It became deeply involved after President Nasser committed Egyptian forces in order to prop up the pro-Egyptian putschist, Brigadier Abdullah al-Sallal, who had seized power in September 1962 but whose forces were no match for the Zaidi tribes supporting Imam al-Badr (who had succeeded to office on the death of his father a week before Sallal's coup). Moscow made possible Nasser's 'Vietnam': the 60,000 to 80,000 troops were Egyptian, the weapons, supplies and logistical support were Soviet.

In contrast to its behaviour in Iraq, in Yemen Moscow tried to upset the status quo and exploit regional instability. There were several Soviet objectives: to deepen Nasser's dependence, with the hope of obtaining naval facilities that would replace the loss of the Soviet base in Valona, Albania, in May 1961; to intensify pressure on the British in Aden, and on Saudi Arabia; to establish close ties with a new 'progressive' force and prevent its being overthrown by 'reactionary', Western-supported forces.

Nasser's defeat in the June War forced him to withdraw and leave the field to the Saudis. This entailed a decline in Soviet fortunes in Yemen—which became the Yemen Arab Republic (YAR) in 1962—at a time when the British crown colony of Aden and the associated surrounding mini-protectorates were emerging to independence under the name of the South Arabian Federation. The British, instead of fostering the nationalist coalition of the pro-Egyptian Front for the Liberation of Occupied Southern Yemen (FLOSY), out of hostility towards Nasser after their humiliation in 1956 shortsightedly allowed power to gravitate towards the National Liberation Front (NLF), an umbrella organization for a motley mixture of Marxist-Leninists and Maoists. When the British left

in November 1967, the NLF seized power in Aden and soon extended its control over the entire country, whose population of approximately 1·8 million is only about one-third that of the neighbouring YAR. In June 1969, the more radical faction gained control, changed the country's name in November 1970 to the People's Democratic Republic of Yemen (PDRY), and rammed through drastic institutional arrangements designed to secure its base of power. A marked radicalization and militancy, including a proclaimed policy of spreading revolution to the entire Arabian Peninsula, provoked Saudi enmity, and attracted additional Soviet bloc aid.

From the start, the PDRY cultivated close relations with the Soviet Union. Military assistance, economic aid and Soviet, Cuban, and East German advisers and technicians poured in, the first shipment of Soviet arms arriving in August 1968. By 1978 the number of military personnel alone had risen to about 2,000. Moscow's assistance has been essential, not only for the retention of power internally, but also for waging an ongoing fight with the YAR and sustaining the Dhofari rebellion, which had started in western Oman in 1965—the Dhofaris using PDRY territory as training and staging areas.[1] By the mid-1970s, the Dhofaris were defeated militarily by a combination of Iranian troops and British advisers, and stripped politically of leverage when the financially sorely pressed PDRY leadership decided to accept Saudi financial assistance in return for normalization of relations in March 1976 and an end to the Dhofari insurgency, though the latter has shown signs during the past year of being revived.

Once again, as in the YAR in 1967–8, Moscow had to adapt to a client's shift in policy, all the while continuing aid in competition with Saudi attempts to woo the PDRY leadership away from close ties with the Soviet Union. The Soviet Union's concern that the PDRY-Saudi reconciliation could threaten its position in Ethiopia was evident in criticisms of 'the imperialists and their agents' who seek to make the Red Sea an 'Arab lake', a reference to Saudi efforts to promote PDRY-YAR cooperation and Arab support for Somalia, and to limit the Soviet role in the region. Moscow also expanded its supplies to the PDRY to offset Sadat's peremptory abrogation of the Soviet-Egyptian treaty in March 1976; it could ill afford to lose the few footholds it had in the Arab world. Its policy was a classic example of great-power manœuvring: low cost, small outlay, minimum risk; mischievous, with little to show in the short run, but potentially capable of generating important tactical advantages.

The PDRY-Saudi rapprochement was short-lived, and very possibly the coup de grâce was administered by Soviet agents. A series of bizarre

[1] See R. P. Owen, 'The rebellion in Dhofar—a threat to Western interests in the Gulf', *The World Today*, June 1973.

and complex events in June 1978 resulted in the assassinations of the top leaders in Sana and Aden in the course of a factional struggle in which personal animosities underlay differing ideological-political outlooks. The murders in October 1977 of the President of the Yemen Arab Republic, Ibrahim al-Hamdi, and his brother, strengthened the faction of Ahmad al-Ghashmi, who favoured better relations with Saudi Arabia and the PDRY. Al-Ghashmi was murdered in June 1978, when a briefcase carried by a messenger from the PDRY exploded, killing both men. Within a matter of days, it appeared that the deed had been planned in Aden. The PDRY's President, Salim Rubayyi Ali, a pragmatist who reciprocated al-Ghashmi's desire for accommodation, was framed by his rival, the more ideological and militantly pro-Soviet Abd al-Fatah Ismail al-Jawfi. In the struggle for power at the top that broke out between Ismail's Soviet and East German-trained People's Militia and Rubayyi Ali's army units, Ismail triumphed and his opponent was killed. By the end of 1978, Fatah Ismail had remodelled the party and government structures on the lines of East Germany's; and he assumed the posts of Secretary-General of the Yemeni Socialist Party and Chairman of the governmental Supreme People's Council. If Aden is a strategic prize, Moscow appears to be holding strong chips in a complicated political game.[2]

The Lower Gulf

On the other side of the peninsula, the Soviet Union's inroads are far more marginal. Only Iraq and Kuwait have diplomatic relations with the USSR.

Tiny Kuwait established diplomatic ties with the Soviet Union in March 1963, after the overthrow of Qasim and the unwillingness of Moscow to uphold Baghdad's territorial claims against it. It is, in addition to Iraq, the only one among the Arab states of the Gulf to have taken a token plunge, and it has done so more for reasons pertaining to intra-Arab relationships in the region than to the Arab-Israeli conflict. Its motives have been to signal to the Saudis not to take it for granted, to buy some goodwill as a form of protection against a possible renewal of Iraqi pressure, and to put Washington on notice that the oil-rich Arabs might turn to Moscow for weapons, if the United States stops pressuring Israel to relinquish Arab lands.

All Moscow can do is bide its time and await disruptive developments. Lack of opportunity limits Soviet options: without clients eager to exploit the Soviet connexion for their own ends, Moscow lacks the

[2] Since this article went to press, it was announced that the PDRY leader, Fatah Ismail, had signed in Moscow a Treaty of Friendship and Co-operation with the Soviet Union, as well as an agreement for co-operation between the Yemeni Socialist Party and the Soviet Communist Party for 1980–83. *Frankfurter Allgemeine Zeitung*, 26 October 1979.

entanglement essential for political manœuvre and influence. Its repeated feelers for normalization of relations with Saudi Arabia and the Lower Gulf states have thus far been checked by the substantial consensual outlook that is shared by the Gulf actors: all the regimes are monarchical, oligarchical and anti-Communist. In such a setting, Moscow has trouble finding suitable levers for an initial penetration. Whereas elsewhere in the Arab world Moscow has found militancy against Israel to go hand-in-hand with a general policy of 'anti-imperialism' and an invariable readiness to improve relations with the Soviet Union, in the Gulf the local rivalries are not linked to attitudes on the Arab-Israeli conflict, thus depriving Moscow of a position on this old standby issue on which it could fall back.

The Soviet willingness to make a virtue out of patience and wait for a major upheaval to alter the domestic outlook of one or more Gulf countries may also be a function of the very limited and steadily diminishing US military presence in the area. However much Moscow may denounce the existence of foreign military 'bases' in the region and the arms build-up of the Saudis (and Iranians under the Shah), it has little cause for concern over the minuscule American presence in Bahrain or Oman.

Characteristics of Soviet involvement

The Soviet approach to the Arabian Peninsula has been pragmatic, persistent and low-key. Moscow adapted to regional upheavals with flexibility and shrewdness, in the main tempering its activism to suit political circumstances. Opportunism, not ideology, impels Soviet policy. It has been quick to establish diplomatic ties and a presence, assist prospective client-states and prove its reliability as a provisioner and superpower protector. The inhibitions on greater activism come primarily from the preferences and domestic pressure of the clients themselves and not from considerations relating to prospects for the Soviet-American relationship or to the power of the United States, whose capacity for affecting developments on the peninsula has sharply decreased. The USSR has been a generally accommodating patron; its ups-and-downs with Yemen, the PDRY and Iraq have turned more often on their political variability than on its own mistakes. With the exception of possible complicity in the Yemeni assassinations, the Russians have not been well placed to meddle effectively in intra-leadership quarrels and have wisely concentrated on maintaining good government-to-government relations, reinforcing convergent policy goals and providing such assistance as is necessary to keep a client in power.

The level and character of Soviet involvement have been determined by the Third World country. Though understandably reluctant to accede to all requests for aid, Moscow has none the less given what support was necessary to assure a client's security, without, it must be noted,

always being able to obtain comparably significant returns—witness the limited nature of Soviet naval privileges in Umm Qasr. In rendering military assistance, the USSR has avoided mindless polarization of regional conflicts. Initially, it benefited from the feuds between Iraq and Iran, Iraq and Kuwait, the YAR and the PDRY, the PDRY and Oman, and Iraq and Saudi Arabia, by developing a close working relationship with one party to the dispute; but, once having forged a connexion, it prefers generally to dampen regional conflicts, and, as in the Iraqi-Iranian and Iraqi-Kuwaiti cases, to improve its relations with both parties and help mediate in their disputes. Moreover, Moscow's commitment of military power has been prudent, designed to achieve limited and specific military-political ends without unnecessarily alarming the United States, while satisfying the prime client.

Moscow accepts the dilemmas that result from courting opposing sides in regional disputes and the periodic frustrations with unmanageable clients as the lot of a super-power pursuing a multiplicity of goals in an age of complexity and change. Thus, it knows that the 1972 treaty with Iraq aroused suspicions among the Arabs of the Lower Gulf and temporarily scuttled Soviet efforts to effect a diplomatic breakthrough; and that the Dhofari revolt fed the Shah's fears and stimulated his military build-up, which was a bulwark against the emergence of pro-Soviet regimes in the Gulf, as long as Iran was stable. Even the Shah's replacement by a radical, anti-Western regime has not been an unmixed blessing for the Soviet Union, if only because of the uncertainties that such a development entails for Iraqi-Iranian relations. The more Moscow builds up the PDRY, the more resistance it may encounter from Yemen, Saudi Arabia, Iraq and Egypt. As has been evident in case after case, its efforts to exercise influence arouse nationalist resentment and resistance; and to the extent that Moscow tries to mediate in local disputes, it confronts divergent tugs and pulls setting limits to the influence it can wield over either party.

Moscow's tangible benefits in the Arabian Peninsula have, on average, been modest. Its position in the PDRY is better now than at any time since the British withdrawal in late 1967 opened the way for the Soviet Union to engage the new Arab state. Privileged access to Aden, the best port in that part of the world, facilitates the Soviet navy's forward deployment: unlike Berbera, Aden has ample supplies of fresh water (which may be more important than fuel oil), is cooler by 10 degrees, and has better docking, storage and repair facilities; it lacks only Berbera's isolation from heavy traffic. The huge floating drydock that had to be removed from Berbera when the Somalis evicted the Russians is apparently still moored off the Dahlac Islands (belonging to the PDRY), though it could presumably be shifted to Aden if Fatah Ismail gave the go-ahead. The Soviet navy has also made use of the island of Socotra, but

more as an anchorage to escape the monsoon swells and heat than as a significant facility. Aden is certainly satisfactory for Soviet naval needs, though Moscow has yet to test the extent to which it can exploit the port in time of tension. Far more valuable to the Soviet military have been the air privileges accorded it. Since late 1978, Ilyushin-38 ASW-reconnaissance patrol aircraft have been flying on ASW and intelligence missions. Moreover, the ability to give Aden as a destination made it easier for the Russians to obtain overflight permission from Turkey, Iraq and Iran for airlifting supplies and personnel to Ethiopia during the intensive re-supply effort in late 1977 and early 1978. In other words, access to PDRY airfields expedited the Soviet intervention in the Horn—certainly a handsome short-term return on Moscow's investment.

In Iraq, the Russians have less to show: their planes may refuel en route to Aden and the Horn, but since Iraq supports one faction of the Eritrean separatist movement against the Soviet-backed Ethiopian regime, Moscow's access has not been automatic or unimpeded; and though the Soviet navy can show the flag regularly at Umm Qasr, it must request official permission for each visit. Besides, despite alarm in Western quarters concerning the Soviet navy's operations in the Gulf, Umm Qasr is poorly situated for military, as opposed to political, operations. At the closed end of the Gulf and on a narrow, windy, shallow channel, it is hardly an unequivocal strategic asset.

It is too soon to know whether the past is a prologue to the Soviet future on the Arabian Peninsula. Moscow's presence has assisted in, but not determined, the setbacks to Western interests. It has complicated US diplomacy and contributed to a diminution of the West's military presence, without significantly affecting the peninsula's politics. The radical Arab impulse arising out of the lurch towards modernity occasionally redounds to Moscow's benefit. But the emergence of anti-Western regimes does not necessarily presage the establishment of a Soviet imperium.

Looking ahead

Moscow has sensed that the Yemenis are a key to the future of the peninsula. Forming the most numerous single Arab-speaking group, and dispersed throughout Arabia, they are a multiplying, energetic, economically backward and socially depressed people, whom the Saudis view with great suspicion. Yemeni unity is as much an anathema to Saudi Arabia as Yemeni radicalism. Of the two super-powers, the Soviet Union has been the one sedulously courting both Yemens. Not only did Moscow arm the PDRY and support its guerrilla war against Oman—the first time that the Soviet Union openly encouraged a client to upset the existing territorial status quo—but it also intrigued to bring regimes more congenial to its political aims to power in Aden and Sana. Though it

could not prevent a limited PDRY-Saudi reconciliation in 1976, the Soviet Union may have been instrumental in arresting that development. It has shipped enormous quantities of arms to the PDRY and, at the same time, has held out tantalizing offers of quick arms deliveries to Sana, with assurances that Soviet leaders would use their 'good offices' to restrain the PDRY. Nowhere has the Soviet attempt to use arms transfers as an instrument of diplomacy, or Moscow's willingness to aggravate regional arms races for the promotion of political ends, been more blatant. If its present close relationship with the PDRY could be extended to the YAR as well, the Soviet Union's psychopolitical impact would be felt far beyond the Yemens.

In addition to a polarization of the peninsula as a result of direct super-power interventions, a militant Yemeni nationalism could, by politicizing the Yemeni work-force—now the most important in Saudi Arabia—undermine Saudi rule. If the Saudis become afflicted by an Iranian-type modernization virus, their Yemeni workers could be an aggravating catalyst; the way would be open for the Balkanization of the Arabian Peninsula and, with it, a surge in Soviet prospects. So far the Saudis have kept the USSR at a distance; but fear of Yemeni nationalism, compounded by an untoward dangerous twist to the Iranian revolution and perceptions of the United States as indecisive, unreliable and excessively military-minded in groping for ways to meet the Soviet challenge in the Arab world, could lead them to normalize relations with the Soviet Union, on the assumption that Moscow would be prepared to play a restraining role on the PDRY and Iraq in return for diplomatic normalization.

There are signs of an incipient Soviet courtship of Saudi Arabia. In late January 1979, O. A. Grinevskii, the Head of the Near Eastern Department of the Soviet Ministry of Foreign Affairs, made a special visit to Kuwait to reassure Arab leaders in the Gulf about the USSR's interest in maintaining friendly relations and of its lack of responsibility for the turbulence in Iran. At the same time, Igor Beliaev, a leading Soviet specialist on the Middle East, published an article suggesting that the time might be ripe for a Soviet-Saudi rapprochement.[8] A little more than a month later, in an interview with the Beirut magazine *Al Hawadith*, Prince Saud al-Faisal, the Saudi Foreign Minister, acknowledged the importance of the Soviet Union in world affairs and said that his country often appreciated 'the positive policy adopted by the Soviet Union towards Arab issues'. A resumption of Soviet-Saudi diplomatic relations could be in the offing.

The renewed PDRY militancy against Yemen and Oman and indications of a possible Soviet-Saudi rapprochement are the first sure signs

[8] Igor Beliaev, 'Saudi Arabia: what next?', *Literaturnaya Gazeta*, No. 5 (31 January 1979), p. 14.

on the peninsula of the ripple effect from the Iranian revolution. US uneasiness over the future of vital Western interests in the area is understandable. None the less, Washington should avoid falling prey to excessive pessimism. A few observations may be appropriate here. First, Soviet influence is thus far very limited. With the possible exception of its relations with the PDRY, Moscow is not in a position to shape the domestic or foreign policies of the countries of the Arabian Peninsula. What it seeks is a presence which could act as a springboard for the future.

Second, with the possible exception of the PDRY, none of the countries of the area wants to see a consolidated Soviet presence. Each of them would like to use the Soviet Union for its own purposes, just as Moscow seeks to exploit, and not be exploited by, its Arab clients. A convergence of some goals often gives the impression that the Russians are achieving more than they are, witness the limited dividends Moscow has realized from its Iraqi connexion. The confining of Soviet influence is a theme running through the policies of all the countries in the region.

Third, though developments on the Arabian Peninsula can no longer be isolated from changing power-political relationships in the Arab world, the Horn of Africa or the peninsula's 'northern tier' (i.e. Iran, Afghanistan and Pakistan), they are likely to continue to be determined primarily by factors indigenous to the peninsula itself. Assuming that each super-power will not go beyond prudent support for its clients in order to effect a sudden shift in the peninsula's military and political alignments, the prognosis is for residual tensions, fuelled by personal and ideological antipathies that will generate low grade, limited conflicts between the regional adversaries.

Finally, the Soviet threat in the Arabian Peninsula is not a military one, though large-scale Soviet arms transfers and assignments of Cuban and East German personnel do provide the Soviet-subsidized PDRY with considerable clout. But although Moscow seeks influence, not instability, it will not be above exploiting and aggravating the latter in the quest for the former. As the area enters a period of political and diplomatic fluidity, the Soviet Union is well situated to take advantage of the opportunities that are bound to emerge. The bar to the Soviet quest for the mantle of Britain's former role as imperial mediator of regional disputes should not be underestimated, but neither should the imperial impetus that drives Moscow's forward policy in the Third World.

German agricultural power: the impact on France and Britain

YAO-SU HU

The traditional divergences between the UK and the Eight on agriculture and the Community budget have obscured the strains caused to the CAP generally—and to Franco-German relations in particular—by the rise of German agricultural power. In the long term, there might be more common ground between French and British interests than has been perceived hitherto.

AT the forthcoming meeting of the European Council in Dublin at the end of this month, the Heads of Governments and States are expected to consider, among other contentious issues, the question of Britain's net contribution to the Community budget. It is generally recognized that the Community's budgetary and agricultural problems are inextricably intertwined, with three-quarters of the total Community budget being devoted to agriculture through the European Agricultural Guidance and Guarantee Fund (FEOGA). What is less well appreciated is the role that Germany has played in the growth of FEOGA spending, both directly through increased German agricultural production (between 1976 and 1977, Germany accounted for 33 per cent of the increase in FEOGA spending, Guarantee Section, whereas France accounted for 14 per cent), and indirectly, through a German upward pull on the level of common agricultural prices.[1]

There is thus a contradiction in the German position of criticizing, as the self-perceived paymaster-general of the European Community, the high and growing cost of the Common Agricultural Policy (CAP), while at the same time pursuing policies which contribute to increasing those costs and so diverting financial resources away from other policies which the Community desperately needs. The rise of German agricultural power occasioned a Franco-German row which delayed the inauguration, early this spring, of the European Monetary System (EMS), and which

[1] Higher prices increase total FEOGA spending through both the price and volume effects.

Dr Hu, formerly with Political and Economic Planning (PEP), London, and the World Bank, Washington D.C., is at present a Research Fellow at Chatham House, working on a SSRC-funded project entitled 'The Political Implications of Economic Divergence for the European Community'. He wishes to thank all those who kindly helped him with this paper.

took the form of a dispute over the dismantling of Monetary Compensatory Amounts (MCAs). Because of the technical complexity of MCAs, the nature and implications of the dispute were not generally understood.

The rise of German agricultural power

In a speech in Munich on 9 March 1978, Mr Christopher Tugendhat, EEC Commissioner responsible for budgetary affairs, declared:

> By far the greater part of CAP expenditure arises in those sectors where we have the largest surpluses. . . Many people are surprised to learn that the lion's share of these surpluses are now held in Germany.

Thus, if we take dairy products which now account for more than 35 per cent of total FEOGA spending, Guarantee Section, and more than 27 per cent of the total Community budget, the latest available figures from the European Commission[2] indicate that, as of 1 April 1978, Germany accounts for 73 per cent of the Community's butter stocks (in tonnes) and 67 per cent of its total skimmed milk powder stocks (also in tonnes), up from 66 per cent and 64 per cent respectively a year before.

The German reply is that intervention stocks are high because other countries' farmers prefer to sell their surpluses to intervention buying agencies in Germany owing to speedier payments or higher prices. In any case, this line of reasoning, valid though it may be regarding surplus stocks, fails to take account of the increasing German share in total EEC agricultural output and trade.

According to Commission statistics,[3] between 1970 and 1976, Germany increased its share of total EEC gross value added in agriculture from 18·7 per cent to 19·5 per cent, while France's share decreased from 30·1 per cent to 28·5 per cent. Between 1973 and 1976, the increase in exports of agricultural products to other EEC countries was 80 per cent for Germany and 40 per cent for France. If one distrusts these general figures because of the well-known technical problems of aggregation (exchange rates, price levels, etc.), one may turn to data at the individual product level. Of 12 major products examined by the Commission,[4] Germany's share of intra-Community exports, taking the period from the beginning of the 1970s to 1976 or 1977 as a whole, increased in the case of seven products, decreased in one case, and remained more or less stable for the other four products. The more remarkable increases are tabulated below.

[2] COM (79) 50 final—Part II, *Situation of the Agricultural Markets, Report 1978*, Brussels, 31 January 1979, Table M 13.16.

[3] COM (78) 20, *Economic effects of the agri-monetary system*, Brussels, 10 February 1978; updated as COM (79) 11, 14 March 1979.

[4] Wheat, barley, maize, sugar, beef and veal, pigmeat, lard, poultry-meat, eggs, milk and fresh milk products, butter, cheese.

Table 1
Germany's Share of Intra-Community Exports of Selected Farm Products

Per cent (by weight)

	1971	*1972*	*1973*	*1974*	*1975*	*1976*	*1977*
Wheat	0·5	0·2	3·0	3·4	2·6	6·0	10·5
Barley	1·4	3·1	4·7	3·2	2·2	4·2	4·2
Maize	1·7	1·9	2·4	3·2	3·7	6·8	7·2
Sugar	5·1	14·7	11·7	26·0	16·9	19·6	26·3
Beef and Veal	9·6	10·2	15·6	14·5	15·3	15·1	15·6
Lard	21·7	21·2	21·0	27·0	24·9	28·5	29·6
Milk and Fresh Milk Products	44·8	51·6	53·0	64·1	64·9	64·5	68·4
Butter	9·3	7·1	16·6	27·5	24·7	18·8	26·4
Cheese	13·3	13·6	15·3	16·7	17·3	18·2	20·5

Source: EEC Commission, COM (79) 11, 14 March 1979.

The rise of German agricultural power is particularly striking in the case of milk (where it now accounts for two-thirds of intra-Community trade), butter, beef and sugar, all products giving rise to 'mountains' in the Community. Turning to France, between 1971 and 1977, its share of intra-Community exports of the 12 products increased in only one case (beef and veal, from 21 per cent to 23 per cent), decreased in nine cases, and remained constant for two products. There were, however, considerable fluctuations from year to year and the trend line for many products is interrupted by the impact of the drought in 1975–6.

How is it that, contrary to textbook economic theory, a country's comparative advantage in industry is accompanied by, or even contributes to, a comparative advantage in agriculture? The rise of German agriculture has many causes: internal demand, part-time farming, the same hard work and good organization as in industry, a comprehensive and efficient advisory service, infrastructural investments by the public authorities, a flexible and regionalized banking and credit system, the good quality of German breads and sausages and good marketing networks both at home and abroad. Nevertheless, if we leave aside processed products, there is little doubt that one of the main causes of the rise of German agricultural power has been the 'distortions' in competitive conditions introduced through the agri-monetary system and MCAs.[5]

MCAs and the agri-monetary system

The MCA system has become so complex that a complete treatise would be required to do full justice to the subject. At the obvious risk of over-simplification, MCAs are introduced or increased on a member state's trade in CAP products when its currency is devalued or revalued

[5] This factor is seldom mentioned by German writers, even those who are critical of German agricultural policy. See, for example, Prof. S. Tangermann, *Germany's Position on the CAP, is it all the Germans' fault?* presented to the Bruges Colloquium on European Agriculture, June 1979.

but, for national political or economic reasons, it is reluctant to adjust its 'green' rate (used to convert common prices expressed in units of account into national prices) immediately to market rate changes. If, for example, initially 1 unit of account equals 4 Deutsche marks, then a product for which a common price of 100 units of account has been fixed in Brussels would sell in Germany for DM 400. But if the DM is revalued by 10 per cent, so that one unit of account equals only DM 3·636, and the green mark is immediately aligned on the market or spot value of the DM, the same product would sell for only DM 363·6 compared to DM 400 previously. In these circumstances, the German government may well decide that the fall in farmers' incomes that this implies is politically unacceptable, and should be postponed by maintaining the green mark at its previous value. Similarly, for a country with a depreciating currency (France, Britain, Italy), immediate alignment of the green rate on the spot rate would imply a rise in farm prices, which the country may want to delay because of its anti-inflation programme or because it wants to protect consumers.

The divergence between green and market rates means, however, that at market rates, the lower French farm prices would enable French farmers to undersell their EEC competitors, and particularly the Germans; whereas French, German, Dutch and Danish farmers would have to cut their prices when exporting to the UK and Italy. To prevent these distortions to the CAP principle of unity of prices, MCAs were instituted as a device to bridge the gap between green and market rates of exchange, the intention being that these are temporary devices to give time for adjustment. In the case of a country with a depreciating currency, *negative* MCAs act as export levies and import subsidies, so that the country's agricultural exports do not gain in price competitiveness and its EEC partners can continue to export to its market. Conversely, with a country with an appreciating currency, *positive* MCAs act as export subsidies and import levies. The MCAs are calculated by multiplying the support price for each commodity by the percentage difference between green and market exchange rates.

For Britain and Italy, both net food-importing countries with depreciating currencies, negative MCAs have kept food import prices below what they would otherwise have been, given the CAP regime. As between the two major countries in the EEC, however, the agri-monetary system has acted to the disadvantage of French agriculture in favour of German farmers, in at least three ways. First, the fact that farm prices are higher in Germany than in France tends to encourage farm production in Germany more than in France, as compared to a situation of uniform prices. Secondly, the increased German production is then sold into France and other EEC countries with the help of positive MCAs acting as export subsidies and financed from the Community budget, whereas

French farm products are taxed when exported to Germany. Thirdly, modern agriculture is heavily dependent on purchased inputs such as soya, machines, fertilizers, energy, pesticides, construction materials and work, etc. which are bought in real money rather than green money. The cost of these inputs, relative to the prices which the farmers obtain for their products, is much lower in Germany than in France. It has been calculated that, early in 1978, a German farmer needed to produce 47·6 tonnes of wheat to buy a tractor, compared to 85 tonnes for a French farmer.

As is well known, the establishment of the EEC, and the parallel progress in implementing the customs union and the CAP, reflected a fundamental understanding regarding the need for a balance of interests between German industry and French agriculture. It is true that French industry has grown considerably since the signing of the Treaty of Rome, but Germany now accounts for two-thirds of the overall French trade deficit. In any case, the growth of German agricultural exports is considered to be abnormal in France, for Germany is not a country '*à vocation agricole*'.[6]

Since the Germans cannot be expected to abandon their efficiency, French demands have centred on the 'unjustified and inexplicable' advantages, in the words of M. Raymond Barre,[7] that MCAs have given to German agriculture. Moreover, MCAs are described as a distortion of competitive conditions, and it is the EEC's business to remove such distortions.

EMS and the Franco-German dispute over MCAs

It is often said that the agri-monetary distortions are due to divergent exchange-rate movements in the EEC and that monetary union is required to preserve the *acquis communautaire* that the CAP represents. This may well have been one of the motivations for President Giscard d'Estaing's sponsorship of the EMS. In the autumn of 1978, the Council of Ministers decided, in principle, to apply the European Currency Unit (ECU) to the CAP when the EMS came into force. In any case, the French decided to use the occasion of the inauguration of the EMS to press for a commitment concerning the abolition of MCAs.

On 5 December 1978, the European Council, meeting in Brussels, decided on the implementation of the EMS as from 1 January 1979. Paragraph (c) of point (6) under part A of the Council's resolution stated:

> ... The European Council considers that the introduction of the EMS should not of itself result in any change in the situation obtaining prior to January 1, 1979, regarding the expression in national currencies of agricultural prices, MCAs, and all other amounts fixed for the pur-

[6] *Le Monde*, 12 January 1979.
[7] Speech of 4 January 1979, *Financial Times*, 5 January 1979.

poses of the CAP. The European Council stresses the importance of henceforth avoiding the creation of permanent MCAs and progressively reducing present MCAs in order to re-establish the unity of prices of the CAP, giving also due consideration to price policy.

At first, the French appeared to press for commitments on the phasing out of both new MCAs (those which would be created by divergent currency movements after the inauguration of the EMS) and old MCAs. At the meeting of the Council of Ministers (Agriculture) on 18–19 December 1979, the German Minister for Agriculture, Mr Ertl, refused to undertake a commitment to phase out, automatically and within one year, any *new* MCAs which might result from a DM revaluation. Germany, the Netherlands and the UK also opposed the fixing of a timetable for progressively dismantling *existing* MCAs. In the event, the French riposte went beyond the application of the ECU to the CAP. On 22 December, France announced that it would not approve the legal regulations which were necessary for the EMS to come into effect, on the grounds that the question of MCAs formed a whole with the EMS: the EMS could not start on 1 January 1979.

In Bonn, government spokesmen suggested that, at the recent Brussels European Council meeting, the dismantling of MCAs had been expressed as a wish, to be studied at the annual price fixing, and not as an objective with a binding timetable.[8]

Subsequent meetings of the Council of Ministers (Agriculture) made it amply clear that the major stumbling block in resolving the problem was Germany's reluctance to allow a fall in German farm prices expressed in DM. Short of a fall in the market value of the DM (highly unlikely), the only way in which Germany's positive MCAs can be dismantled is by revaluing the green mark, which would mean a drop in DM farm prices unless offset by a rise in common prices in units of account.

Phasing out France's negative MCAs is less of a problem; it requires devaluing the green franc and hence a rise in French franc farm prices, which the government has been willing to accept despite M. Barre's anti-inflation policies. In Germany, owing to the high level of prosperity the level of food prices for consumers is not an issue, but the large number of small farmers means that farm prices and incomes are a major political question. This is compounded by the domestic political situation. With a view to the general election in September 1980, the Social Democratic Party (SPD) relies on its junior coalition partner, the Free Democratic Party (FPD), to remain in power, while the latter depends on the farm vote under the German system of proportional representation.[9] More-

[8] *Le Monde*, 31 December–1 January 1979.

[9] The FPD estimates that it owes at least four of its seats to farmers' votes in Bavaria, Baden-Württemberg and Schleswig-Holstein; *The Economist*, 5 November 1977, page 55.

over, Mr Josef Ertl, from Bavaria, the heartland of German agriculture, like the leader of the Opposition, Mr Franz Josef Strauss, is a strong personality who has been Minister of Agriculture since 1969, and the Liberal ministers in the Cabinet have formed a pact to the effect that all four would resign if only one of them should be voted down on a vital point in the Cabinet.[10]

The only way in which positive MCAs can be dismantled without reducing national farm prices is for a rise in common prices, as stated above, to compensate for the decrease which would otherwise follow the revaluation of the green mark. The German and French demands could, therefore, be satisfied simultaneously only if common agricultural prices in units of account were raised, and the increases used in strong currency countries to dismantle MCAs.

At the meeting of the Council of Ministers (Agriculture) on 5–6 March, the Eight reached a gentlemen's agreement on the dismantling of new MCAs: these would be phased out within two years, but on condition that increases in common prices in units of account make this possible. This agreement is not a Council decision, since the UK was not party to it. There was apparently no agreement on the phasing out of existing MCAs (apart from a general statement of intent as embodied in the resolution of the European Council of 5 December 1978). Unless some secret understanding was reached, it does not appear that the French had much success: they obtained no commitments on the phasing out of existing MCAs, and only a commitment on new MCAs which is hedged with many uncertainties. Moreover, new MCAs will continue to come into being automatically when a currency changes value, whereas the French had hoped at one stage that the creation of new MCAs would be subject to prior authorization by the Council of Ministers. Finally, France lifted its reserve on the inauguration of the EMS, which was announced at the European Council meeting in Paris of 12–13 March.

Perspectives on the dispute

It may be worth recalling that, in 1964, Germany did accept a cut in German grain prices in order to enable the CAP to come into operation. In December 1964, the Council of Ministers agreed, after long-drawn-out negotiations, on the common price level which would apply to cereals with effect from 1967–8. These prices, higher than French prices, were substantially lower than those payable to German producers in 1964–5 and 1965–6; for wheat DM 425 per tonne against DM 473; for rye DM 375 against DM 432·5; for barley DM 365 against DM 412.[11] Equalization payments to German farmers were authorized for a three-year period, with contributions from the EEC budget.

[10] Prof. S. Tangermann, *op. cit.*
[11] W. Magura, *Chronik der Agrarpolitik und Agrarwirtschaft* (Hamburg 1970).

How was it that the German government was able to accept this in 1964, despite the impending election in 1965? From the German viewpoint, the bargain was more attractive in 1964 than it is now. Then, it was a question of making a once-for-all sacrifice in return for the implementation of the customs union. Now it is a question of making a sacrifice every time the DM is revalued, and the customs union has long since graduated from its transitional phases.

In 1964, the level of common prices was set above the Community average to take account of German levels; this enforced an average price increase of 18 per cent in the EEC and of 30 per cent in France.[12] Now, in order to eliminate its negative MCAs, France is accepting an acceleration in its food-price increases, despite its anti-inflation programme. Although the gentlemen's agreement does not specifically require a rise in common prices in ECUs, the combination of German and French demands creates a presumption in favour of raising common prices as the easiest way out. At the Annual Price Fixing in June 1979, common prices were raised by 1·5 per cent (except for milk)[13] despite previous calls by the Commission and Britain for a price freeze, and were used by Germany to reduce its MCAs by one point. In September 1979, the 2 per cent devaluation of the DM was followed by a devaluation of the green rates for France, Britain and Italy to avoid the creation of new negative MCAs.

High and rising common prices are in the interests of neither the Community nor France. The Community is plagued by large and mounting surpluses and rising expenditures which will soon outstrip the Community's 'own resources'. For France, although an Agricultural Minister's success may well depend on his being able to win the best deal for 'his' farmers (which requires his going along with his colleagues' demands in Brussels), there are contrary, long-term, macro-economic considerations. In addition to the concern about domestic inflation, uncontrolled expenditures may threaten the survival of the CAP. Finally, by stimulating self-sufficiency in other EEC countries, high prices distort the intra-Community division of labour, that is, they deprive French agriculture, which has a comparative advantage because of its vast land resources, of outlets which it could have if prices were more rational. Even for Germany, its interest as a net food importer would lie in lower common prices.

Britain's position

The UK was opposed to the gentlemen's agreement for two reasons. The most important one was budgetary, as Britain would have to contribute, through the Community budget, to the increased cost of disposing

[12] See article by Prof. Priebe in H. Priebe *et al.*, *Fields of Conflict in European Farm Policy* (London: Trade Policy Research Centre, 1972).

[13] See Trevor Parfitt, 'Frozen milk in Brussels', *The World Today*, September 1979.

of surplus farm products. Secondly, both higher common prices and the phasing out of negative MCAs would entail an acceleration in food-price rises in Britain. The UK has traditionally attached more weight to consumer interests in relation to farmers' interests than the Eight, though there may have been a shift with the new Conservative government. Nevertheless, Britain has made concessions to enable the gentlemen's agreement to be implemented, partly because it wanted a devaluation of the green pound for its farmers and partly because the new government wished to display a pro-Community stance.

In the short term, French and British interests may well clash. France's net receipts from the Community budget have been declining over the years and, according to Commission statistics, it actually had a small negative balance in 1977 and 1978 which is forecast to persist in 1979 and 1980. This is likely to make it less willing to countenance Britain's budgetary demands, since any reduction in Britain's net contribution means that others have to pay more or receive less. Moreover, Britain's demands may lead to a *remise en question* of the principles of Community 'own resources' and the CAP.

In the longer term, however, both Britain and France share a common interest in a more rational level and structure of common agricultural prices and there may well be more room for constructive co-operation provided that the basic principles of the Community edifice are not threatened. Even the German government may welcome constructive external pressure to help it manage its own farming interests.

The changing nature of Irish defence policy

TREVOR C. SALMON

IN the post-1945 period there has been little genuine debate on issues relating to Irish defence policy. Only problems associated with Northern Ireland, such as the non-use of force and the possible overflow of violence into the Republic, can be said to have been discussed seriously. Instead, emphasis has been placed upon 'neutrality' and those who have dared question this policy have met for 30 years with a blanket 'No Nato'.

Part of the trouble has been the lack of research on defence, foreign policy and international affairs, and of an independent centre for such studies in Ireland. Although these subjects are now at last beginning to find a place in Irish higher education, defence remains a neglected topic. Moreover, any discussion is orientated to the past, relating to the origins of the neutrality policy and its advantages for the country during 1939–45. There has been a failure to recognize the existence of a new generation, new circumstances and new issues.

The British factor and the Nato context

As well as being too scanty and too backward-looking, the debate has been dominated by the British factor. Partition has been used as an argument for excluding any discussion of possible defence arrangements with the British in many areas. This position was reflected in the *aide-mémoire* handed to the American Ambassador in Dublin on 8 February 1949, in response to an American inquiry concerning Irish attitudes to the proposed North Atlantic Treaty. It emphasized that 'six of [Ireland's] north-eastern counties are occupied by British forces against the will of the overwhelming majority of the Irish people' and that as a result 'any military alliance with, or commitment involving military action jointly with, the State that is responsible for the unnatural division of Ireland, which occupies a portion of our country with its armed forces, and which supports undemocratic institutions in the north-eastern corner of Ireland, would be entirely repugnant and unacceptable to the Irish people.'[1]

The debate has also been excessively focused on the question of a formal alliance with either Nato or some other similar organization. It is a major argument of this article that the issue is not 'Nato or neutrality'

[1] *Texts concerning Ireland's position in relation to the North Atlantic Treaty* (Dublin: Stationery Office) (Prl. 9934), p. 5.

The author is Lecturer in Politics at the University of St Andrews, having previously worked for five years at the National Institute of Higher Education in Limerick, Ireland.

or even 'European Defence Community or neutrality', but rather that involvement and co-operation need not entail formal treaties, alliances or structures. The emphasis upon Nato has blinded many to the possibilities of a more informal link. Nato is a false issue, as is the notion of a re-vamped proposal for a European Defence Community. It might even be argued that 'neutrality' is a false issue as well in that it implies that the question is whether to join a formal organization or not, and fails to take account of the pressures leading to informal ad hoc co-operation. The Nato discussion also reflects the above-mentioned lack of research in Ireland on such matters, for there often appears to be no apparent recognition of the possibility of a qualified membership of Nato like that of France and Greece. The issue is seen in black and white terms largely because of the perceived links between Partition and Britain, and Britain and Nato. The discussion in this area is often emotive and appears to be dominated by vociferous, albeit unrepresentative, minority groups.

Finally, the emphasis on Northern Ireland and neutrality has precluded discussion and analysis of other critical issues in Irish defence policy since 1945. In particular, it has resulted in little attention being paid to:

(i) the role of the Permanent Defence Force (PDF);
(ii) the relationship between the role or roles of the PDF and its structure;
(iii) the level and type of capabilities required to fulfil those roles;
(iv) the possibility of there being an incompatibility in these roles with particular respect to:
 (a) internal security (aiding the civil power) and the requirements of external security, and
 (b) the relationship between defence and deterrence;
(v) most fundamentally, the nature of the threat or threats.

Although these topics have occasionally been discussed in the Irish Dail, there has been no concerted examination of them and once they have gone out of fashion they have been forgotten again. A typical example is the suggestion made in 1948, and again in 1952, that the army should adopt guerrilla tactics rather than rely upon heavy equipment and a continental type of structure.[2] Such ideas appear to have been dismissed rather than analysed, partly because they were seen as defeatist, i.e. acknowledging that occupation was likely in a conflict, but also because of the view expressed in 1952 by Oscar Traynor, Minister of Defence, that 'so long as the situation in the North is as it is, any military staff worth its salt in this country will have to rely on the orthodox method, although they may later have to resort to other methods.'[3]

[2] See James Dillon in *Dail Debates*, Vol. 132: column 488.
[3] *ibid.*, 132: 982.

Another area which has received scant attention is that of Irish participation in UN peace-keeping—despite some of the incongruities that have arisen in this connexion. For example, at the beginning of this decade it was necessary to have some of the First-Line Reserve on full-time duty, and to have the *Forsa Cosanta Aitiuil* (FCA, a part-time volunteer force) doing weekend and other forms of part-time service, whilst several hundred of the regular army were serving abroad. The force of the problem, however, only became apparent after the Dublin and Monaghan bombings in May 1974 when the Government sought 'temporary release of the Irish contingent' serving with the United Nations Expeditionary Force in the Middle East (UNEF)—an expediency which may become necessary again.

Outdated approach

The arguments against alliance with the British and hence with Nato have been outdated for years. Sean Lemass, for example, acknowledged as far back as 1962 that 'it is not in the national interest to represent that [Article IV of the North Atlantic Treaty which refers to threats to territorial integrity] as implying an undertaking to preserve the Partition situation'. He also said: 'We think the existence of Nato is necessary for the preservation of peace and for the defence of the countries of Western Europe, including this country. Although we are not members of Nato, we are in full agreement with its aims.'[4]

Furthermore, it can now be argued that Ireland is more closely linked to Britain through common membership of the European Community than it need ever have been through membership of Nato—especially given the possibility of qualified membership. Even apart from the formal and legal arrangements of the EEC context, Ireland is clearly co-operating with Britain on an extensive scale without formal treaties, organizations or structures. There is, for example, the co-operation on the Northern Ireland issue, perhaps more extensive than is fully apparent. In addition, Irish officers regularly attend courses in Britain and other Nato countries, but rarely elsewhere. There appears to be also some sort of co-operation relating to the monitoring of nuclear attacks and fallout possibilities and measurements. Moreover, between the two world wars the Irish Cabinet agreed that the Irish army should be 'so organized, trained and equipped as to render it capable, should the necessity arise, of full and complete co-ordination with the forces of the British Government in the defence of the Saorstat territory whether against actual hostilities or against violation of neutrality on the part of a common enemy.'[5] While the full extent of current co-operation can only be a matter of speculation, it is

[4] *ibid.*, 193: 4 ff.

[5] Patrick Keatinge, *A Place Among Nations: Issues in Irish Foreign Policy*, IPA 1978, pp. 84 ff. quotes (C2/225) the minutes of the Cabinet meeting of 13 November 1925.

worth emphasizing that it does not require a formal treaty or arrangement.

Even more important than the need to free discussion of the British connexion from past constraints is the need for a reappraisal of the Irish position in Europe, mainly in the European Community context. Whilst emphasis upon 'neutrality' and 'non-alignment' may have served in the past (even though there was no apparent recognition that these two terms did not quite mean the same thing), such an emphasis is no longer sufficient in the new circumstances of Irish accession to the Community in 1973. A few people have recognized this, and they are by no means all critics from the Left. In the spring of 1967, Liam Cosgrave stated that 'while it is true that the Rome Treaty makes no specific reference to defence, I think it would be less than frank if we imagined that defence was not at the forefront of the thinking behind the drafting of the Rome Treaty. While in recent times emphasis has been laid on the economic and social aspects of the [Rome] Treaty, there are other implications of a political character.'[6] Later in the same year he was even more explicit: 'there is no use saying that EEC membership does not involve any military commitment.'[7]

It is possible that these statements represent a more accurate interpretation of the implications of membership than the formal pronouncements of Irish Ministers, both then and more recently, that 'any arrangements for defence of the Community would have to result from further agreements . . . to be negotiated by the members of the expanded Community.'[8] Recent reports on European Union by the Commission and M. Leo Tindemans have stressed that defence cannot be set aside from other developments. Tindemans proposed 'regularly to hold exchanges of views on our specific problems in defence matters and on European aspects of multilateral negotiations on security.'[9] Moreover, it is the Irish perception that steps in this direction have already taken place. This has been acknowledged in the Irish Government's reports on 'Developments in the European Communities'. The Eleventh Report, issued by a Fianna Fail Government in January 1978, made the point that at the post-Helsinki Belgrade meeting the Nine had maintained close co-operation and co-ordination both during the review exercises and in the promotion of an extensive range of joint proposals aimed at facilitating and improving implementation of the Final Act.[10]

There have been indications that Ireland would like to step back a little from this EEC co-operation at the Madrid review conference in 1980. Thus the Minister of Foreign Affairs said during a visit to Yugoslavia

[6] *Dail Debates*, 228: 799 ff. [7] *ibid.*, 230: 826 ff.
[8] Foreign Affairs Minister Hillery, *ibid.*, 247: 2068 ff.
[9] *Bulletin of the European Communities*, Supplement 1/76, pp. 15, 17–18.
[10] *Developments in the European Communities*, Eleventh Report, January 1978, Dublin Stationery Office (Prl. 6840), p. 11.

that Ireland looked forward to 'further co-operation and consultation' with the neutral and non-aligned countries 'before the next CSCE meeting in Madrid',[11] although Ireland was not represented at the Havana conference in September this year. But a radical change of emphasis will not be easy. Ireland is committed to the Community political co-operation framework, and it will be extremely difficult to deviate too much from the policy implied in that without damaging other Irish interests in the EEC. Ireland must be seen to be a solid member of the Community if it expects to be the beneficiary of a substantial transfer of resources within it. The present Minister for Foreign Affairs said in 1978: 'Ireland will not be a member of Nato. However, if it ever gets to the point, some time in the future, that the EEC was being attacked, then we, as members of the Community, could not negate the fact. As members of the EEC, we would have to play our role and carry out our obligations and responsibility'.[12] It can be argued that it is not just a question of future possibility but rather of present commitment, again not from any formal legal obligation but because of the informal, political realities of the situation. Strangely, there is no evidence of these realities impinging on the thinking or organization of the army.

Another item relating to defence/security already on the European agenda is that of the arms industry and arms production. Tindemans singled this out as an area in which action could be taken immediately and the European Parliament, in June 1978, voted in favour of the establishment of an EEC policy on arms production as part of an overall strategy to develop European industry. The reaction of Irish members of that Parliament illustrates the muddled thinking in Ireland on these issues. Fianna Fail abstained, arguing that the motion had no relevance to Ireland, while Fine Gael supported it on the grounds that such a policy would provide more jobs and help the Irish balance of payments. Liam Kavanagh of Labour voted against because of suspicions of Ireland being drawn into a policy leading into Nato. Yet, the motion showed that defence concerns cannot be separated from the operation of the European Community.

A similar problem has arisen for Ireland with respect to 'fishery protection', where it has been agreed that the EEC will pay up to 46 million EUAs (£31 m.) of the cost of Ireland bringing into service appropriate inspection and surveillance measures for fishery protection in Irish fishing waters in the period 1977–82.[13] Though the initiative for this came from respective Irish governments, the whole question of security, sovereignty and surveillance with regard to offshore resources has received no real attention in Ireland. Now that offshore waters have been

[11] See Michael O'Kennedy in the *Irish Times*, 14 April 1978.
[12] *ibid.*, 20 February 1978.
[13] Official Journal, No. L211/34, 1 August 1978, pp. 34–6 (78/640/EEC).

invested with 'territoriality', the national security of the state presumably encompasses what were formerly regarded as the high seas. If the EEC is to provide cash for fishery protection and search for oil and gas off the Irish coast, the moment may well arise when Ireland will be expected to offer something in return. Although a fully developed system might require legal arrangements, it is clear that much could be done in this direction without any formal treaties or structures.

Current trends are thus inevitably putting Ireland in a position whereby it is already co-operating de facto in various aspects of defence and security with its European neighbours. The enlargement of the Community may well accentuate these pressures and developments. All the applicants are involved militarily in the defence of Western Europe and Spain may soon formalize its contribution by also joining Nato. These trends are going to make the Irish 'free rider' position increasingly more difficult to sustain for political reasons, whilst the development of a Community spirit will invalidate it also morally. Moreover, it may well be that if Ireland were to seek to emphasize the separation it perceives between the economic and political areas of the Community, it would lose out financially in any case. It should be noted, however, that Irish political leaders have repeatedly stressed their belief in the political aims and objectives of the Community.

Questioning the assumptions

Is there any alternative for the Irish? The alternatives normally proposed—i.e. various forms of self-defending 'neutrality'—seem to depend upon the following arguments:

(i) that the best military contribution the Irish can make to their own defence and to the defence of Europe is to defend their island against a conventional attack, and that 'Nobody could do it better';
(ii) that the Irish example would show other European neutrals that membership of the EEC need not involve a military commitment;
(iii) that it convinces (*a*) the USSR and (*b*) the Third World that the EEC is not a military alliance;
(iv) that it will allow Ireland to play a 'special' role in the world.

Against these arguments, the first question to ask is whether Ireland is capable of effectively defending itself. All the European 'neutrals'—Austria, Finland, Sweden, Switzerland—seem to make a bigger defence effort than Ireland,[14] a tendency which is especially pronounced given their lack of an 'internal security' problem. The figures for defence spending suggest that Ireland is implicitly relying on Britain and Nato. There is still an echo of the 1925 Cabinet Minute in Irish thinking. Moreover,

[14] *The Military Balance 1978–79* (London: IISS, 1978), p. 88.

it must be questioned whether Ireland is really contributing to the defence of Europe at present.

Nor can the 'example' argument be sustained. Those countries that are seeking membership in the current enlargement negotiations are all more 'committed' to the Western alliance than Ireland. Sweden and Switzerland are not likely to be enticed by the Irish example, while Finland and Austria are, in any case, not completely free agents. The effect on the Soviet Union and Third World countries is also probably illusory.

The main problem with the proposed alternatives is that they underestimate the strength of current trends and of the level of Irish commitment so far. They tend to assume that lack of 'formal', 'contractual' obligations means that Ireland has a free choice, whereas since 1973 this is no longer so. 'Neutrality' in the Community context is not really feasible, whilst the cost of a genuine 'go-it-alone' policy would appear to be prohibitive, and certainly in excess of the previous level of resource allocation that successive Irish governments and the people appear to have been willing to make.

The developments discussed above all point to the need for a thoroughgoing re-examination of the roles and structure of the PDF which have simply been reiterated rather than examined. These roles are normally understood as: (i) defence against external aggression; (ii) aid to the civil power—meaning in practice to assist, when requested, the Garda Síochána who have the primary responsibility for the maintenance or restoration of the public peace and for internal security; (iii) aid to Civil Defence; (iv) peace-keeping missions on behalf of the United Nations; (v) fishery protection; and (vi) such other duties as may be assigned to them, e.g. assistance on the occasion of industrial disputes etc.

Although these are perfectly legitimate, indeed ordinary, roles for a defence force, one may question whether a structure orientated towards (i) is really capable of dealing adequately with (ii) or (iv). One can even ask whether (i) is straightforward. For example, should 'defence' or 'deterrence' be given more weight? It is quite possible that the most appropriate structure for defence is not appropriate for deterrence. Should Ireland focus on an explicitly deterrent, guerrilla-type strategy, given the apparently unequal struggle in terms of conventional defence?

Has enough account been taken of the UN peace-keeping role? It is strange, particularly given the relative continuity of such service—since 1960 in respect of peace-keeping and 1958 in respect of observing some 17,000 soldiers have been supplied—that no separate unit of the PDF has been established for such purposes or trained for the special, and abnormal, requirements of the peace-keeping role. Recruitment for the Lebanon, for example, was based on volunteers drawn from Commands throughout the state. Similarly, little attention has been given in the past to the Naval Service, which has suffered for decades from a lack of

sufficient resource allocation and manpower. Despite the fact that the Naval Service has almost doubled in size since 1965, it is still woefully inadequate for the task it faces. In March 1977 the then Minister of Defence, Mr Flanagan, estimated that Ireland would need 18 extra ships at a cost of £90 m. if it had to patrol the 200-mile EEC economic zone.[15]

Defining the threat

The structure and equipment of an army ought presumably to be related also to the nature of the actual threats which it faces, either internally or externally. What threats to Ireland exist, or are likely to arise in the foreseeable future?

First, external aggression appears to be unlikely as regards a foreign power acting against Ireland without having attacked other European countries first. Ireland is only likely to be peripherally involved in any general war, so that any attack would probably be almost incidental to the main action. In these circumstances, there is again much to be said for an explicitly deterrent posture as against the more traditional defence posture. It would seem unlikely that Ireland could for long resist any invasion, but it might well be able to go on fighting after invasion, and thereby increase the costs of occupation (or attempted occupation) to an unacceptably high level for an aggressor. But perhaps not too much emphasis should be put on this possibility, as there appears little current prospect of such an attack on Ireland.

Second, also 'external' but more likely, is the threat of northern violence building up to full civil war in the 32 counties, or of northern Protestant majority forays across the border. Moreover, considering that between 1973 and 1976 there were some 304 minor border incursions by the British Army into the Republic, it is not inconceivable that in different circumstances British operations could easily be regarded as aggression. Indeed, Irish tempers have been frayed on occasion. For example, in the spring of 1971, the Opposition spokesman on Foreign Affairs, Richie Ryan, was moved to say of the British Navy searching Irish vessels: 'If diplomatic manœuvres are not going to make the British behave in a civilized manner towards us, then we shall have to take defensive measures to protect Irish vessels from the interventions of which we complain.'[16] At all events, however the 'external threat' is described, doubts have been publicly expressed about the PDF's capability to contain it.

Third, there is the threat to the Catholic minority in Ulster and the question of whether a Southern government can act in any meaningful way as its protector and guarantor. At one moment, in August 1969, it did appear as if the Irish Army might actually seek to intervene. Certainly the Opposition in the Republic and many Protestants in the North thought that the Irish Government was hinting—to say the least—at armed inter-

[15] *Irish Times*, 29 March 1977. [16] *Dail Debates*, 252: 1769 ff.

vention. Alarmist headlines in the Irish press were countered by the official explanation—after the event—that the reported movement of Irish Army vehicles had been to establish army field hospitals on the Irish side of the border and to enable them to participate in the joint Irish-British peace-keeping force that the Government was to propose formally a couple of days later. To that end the Dublin Government also authorized the mobilization of the First-Line Reserve. The Irish Prime Minister, Jack Lynch, subsequently made it clear that his Government had no intention of mounting an armed invasion of the Six Counties, and that the use of force could not advance the long-term aim of a united Ireland by peaceful means.[17] Whatever may be the truth about the desire to intervene, various spokesmen have emphasized the difficulties. In the Dail in 1972 Garret FitzGerald acknowledged that 'our army . . . could not reach Belfast',[18] while two years later Conor Cruise O'Brien caused an outcry when he said that the Irish Army did not possess the capacity to control events in the North and that it could only hope to hold one border town, such as Newry, even in a civil war.[19] Thus, there seems to be some sort of political consensus that the Army is not really capable of meeting the contingencies which might arise as a result of the northern crisis.

Fourth, internal security threats, which incidentally also illustrate the difficulties in separating the political and military, are perhaps the most serious of all. The fundamental question is how to defend the democratic state from internal subversion. It is as well to remember that, according to a decision of the Irish Parliament shortly after the murder of the British Ambassador in July 1976, 'arising out of the armed conflict now taking place in Northern Ireland, a national emergency exists affecting the vital interests of the state.'[20] The change of government in June 1977 did not lead to a rescinding of this 'state of emergency'. Indeed, given the murder of Lord Mountbatten this summer, it is clear that a severe threat to the vital interests of the Irish state still exists.

Finally, there are threats to offshore resources, fishery stocks, oil-rigs etc.

It is the argument of this paper that Irish policy-makers must take a new look at defence in the light of these realities and at their traditional concepts of 'threats to the state' and 'neutrality'. Recent developments put the onus on them to develop a new orientation in order to meet the changed nature of the problems. Ireland is already co-operating with its neighbours and will be co-operating increasingly, albeit in a non-legalistic and non-formalistic manner, in areas of security and in ways which 30 years ago would have been impossible to contemplate. As Irish interests in the world—and to some extent at home—change, so, too, must Irish defence policy.

[17] *ibid.*, 241: 1401 ff. [18] *ibid.*, 258: 994.
[19] *Irish Times*, 25 September 1974. [20] *Dail Debates*, 292: 3 ff.

PRINTED IN ENGLAND BY POPPER & COMPANY LTD, WELWYN GARDEN CITY, HERTFORDSHIRE

ORBIS

A Journal of World Affairs

Volume 23 **Summer 1979** **Number 2**

ORBIS is published four times a year by the **Foreign Policy Research Institute,** 3508 Market St, Suite 350, Philadelphia, PA 19104.

Subscription Rates, per year: $15 for individuals, $25 for institutions. (Outside U.S.A., add $2 per year.) Single copies: $6.50.

THE WORLD TODAY

Founded in 1945, THE WORLD TODAY is issued under the auspices of the Royal Institute of International Affairs and published monthly by the Oxford University Press.

ANNUAL SUBSCRIPTION (12 issues a year)
Including postage inland and overseas
UK £7
US $20 (by accelerated surface post)
Elsewhere £9
Single copies 70p ($2) post free

Orders may be sent to booksellers and newsagents or to the Oxford University Press, Press Road, Neasden, London, NW10 0DD Telephone 01-450 8080

The Royal Institute of International Affairs is precluded by the terms of its Royal Charter from expressing an opinion of its own on any aspect of international affairs. Any views expressed in this publication are, therefore, the responsibility of the contributors.

 ISSN 0043-9134

THE WORLD TODAY

The Royal Institute of International Affairs

CONTENTS

EDITOR: LILIANA BRISBY

December 1979
Vol. 35. No. 12

Manuscripts and correspondence should be addressed to the Editor, *The World Today*, The Royal Instituet of International Affairs, Chatham House, 10 St James's Square, London SW1Y 4LE.

Note of the month

PREMIER HUA GUOFENG'S GRAND TOUR

THE Chairman of the Chinese Communist Party in his capacity as Premier of the State Council made official visits to France, the Federal Republic of Germany, Britain and Italy from 15 October to 6 November. Although technically he is not Head of State, Hua is China's most senior leader and his journey, which may be seen as a latter-day political equivalent of the 18th-century European grand tour, was regarded as of great significance by all concerned. It was the first ever such visit to Western Europe by a Chinese leader of this rank. As there were no issues of great moment to be settled at summit level between China and the four countries, the significance of the visit was mainly symbolic: it was meant, first, to mark the consolidation of the new relationship which has developed between China and the West European countries in the 1970s and which has deepened in the post-Mao era; and, secondly, to establish a close personal understanding between the European leaders and the man who has been earmarked to lead China through the 1980s and perhaps beyond into the 1990s.

China's general view of the significance of Western Europe in the strategic and political contexts of what the Chinese leaders have long seen as the global problems posed by alleged Soviet expansionism and hegemonism is well known. Indeed, in their advocacy of the desirability of West European unity China's leaders continue to be more insistent and single-minded than even the most passionate Europeanists of the Community. Thus Premier Hua made a point of affirming the importance of a united and prosperous Europe at a press conference given to European journalists in Peking before his departure. But it was possible to detect in his speeches in Europe new signs of flexibility in China's position regarding the Soviet Union and what the Chinese see as an inevitable new world war. Following the practice by Chinese spokesmen of the last few months (which presumably is related to the Sino-Soviet governmental negotiations begun in September to improve their state relations), Premier Hua did not criticize the Soviet Union by name. Instead, he merely attacked the policies of 'hegemonism'. He also emphasized that

by moving towards greater unity and by strengthening Europe's defences still further it would be possible to delay the onset of war and, in fact, promote world peace. The tone of his criticisms of 'hegemonism' were at their mildest in West Germany because of the acute sensitivity of the West German Government to relations with the Soviet Union. He felt far less restrained in Britain, where in many respects the Chinese Premier's views on the Soviet danger were closely paralleled by those of the British Prime Minister. Even before Premier Hua's visit, Mrs Thatcher had called for a better defence preparedness to meet the Soviet offensive threat which had been significantly increased recently. In effect, she rejected the Brezhnev initiative of the previous month. Mr Hua quite properly refrained from public comment on the Brezhnev proposals although it was very clear that his sympathies were with Mrs Thatcher. Nevertheless, his visit did not quite dispel the impression of a basic difference with the West European powers on the question of détente. The Chinese have long equated détente with appeasement, and in Italy Premier Hua encouraged the West Europeans to 'put missiles before détente'. Not even Mrs Thatcher has posed defence preparedness as a counter to détente. At most, the British Prime Minister would argue that the former is a condition for the latter. The Western approach includes both co-operative and conflictual tendencies. China's approach on this question parallels its attitude towards the United States in the 1950s and early 1960s when it argued that America's offensive posture would only be changed once it had been effectively opposed: to have co-operated with it at that stage would have been tantamount to feeding a tiger. These Sino-Western differences did not surface during the public exchanges and perhaps even in private they were not regarded as of great importance. After all, China and Western Europe are separated by great distance and their social systems differ markedly. There is no question of an alliance between them. Rather, as the various leaders pointed out, China and Western Europe have a mutual interest in each other's strength and prosperity as important factors for peace and stability in the world as a whole.

Premier Hua's visit coincided with the stage in which Western euphoria about the prospects of the Chinese market had all but died down. It is now appreciated in the West that, while there are some prospects for big Chinese orders, the negotiations are likely to be long-drawn-out. For the time being China is engaged in the task of 'readjusting' its economy and may be unable to do a great deal of business. This much was officially stated by a Chinese commentary on Hua's tour. Furthermore, as pointed out in *Le Monde*, the Chinese economy has been revealed as 'a small market perfectly incapable of helping the West resolve its problems of unemployment, balance of payments and overseas outlets.'[1] Nevertheless, the

[1] Alain Vernholes, '*La nouvelle politique economique chinoise*', 18 October 1979.

Premier and his large party were shown aspects of the EEC's advanced technology which it was hoped might eventually be sold to China.

In each country, agreements for cultural and scientific exchanges were signed, commercial relations were discussed and the Premier and his party had meetings with the important industrial and business circles. Two substantive issues on which agreement was reached with Britain involved a Chinese undertaking to stem the flow of illegal immigrants into Hong Kong and a British undertaking in principle (after long years of delay) to sell Harrier vertical-take-off aircraft to China. The latter was made subject to the consent of Britain's Nato allies.

The aim of Premier Hua's grand tour, however, was not to conclude a wide range of agreements. It was rather to consolidate the burgeoning relations between these countries and China. It may also be seen as part of a pattern begun last year in which the Premier has visited a number of countries on the periphery of the Soviet Union to promote friendship and establish closer understanding with states of obvious long-term strategic significance for China. It is also an important component of China's more out-going diplomacy. But perhaps of equal significance in Chinese eyes is the desirability of their new Premier, who is relatively inexperienced in foreign relations, gaining personal knowledge of the outside world and making himself known to other leaders on the world stage. In these terms, Premier Hua's tour has certainly been a success. By all accounts, he has conducted himself in each of the four countries with unfailing good sense and with an eye to the sensitivities of his hosts. His extensive discussions with the European leaders have not been made public, but they appear to have been both deep and wide-ranging. The Chinese claimed that extensive agreement of views had been reached on the current world situation, but that at the same time differences on certain questions had emerged because of the varying circumstances of the countries involved; even where agreement existed, there had sometimes been disagreement on the tactics to be followed. It is to be hoped that the Premier and his party have a deeper understanding of the complexities of European politics than some Chinese commentaries on Europe have suggested in the past. From a European perspective, the significance of the visit has been the opportunity to establish close working relations with the man whom the Chinese have chosen to lead them for the next decade.

MICHAEL YAHUDA

The Northern Tier in disarray[1]

SHAHRAM CHUBIN

THE stark contrast between the health of the Northern Tier 21 years ago and today illustrates the transformation in the political environment in the past two decades. With the potential disintegration of Iran, the virtual absorption of Afghanistan into the Soviet bloc, the malaise in Pakistan and the deep-rooted problems both within Turkey and in its relations with the West, there is little scope for Western influence. If 'containment' has collapsed this is not due primarily to Soviet diplomacy, military power or attractiveness as a model, but rather to indigenous and regional causes which ought to be examined if the remedies are to be found. Nevertheless, the net effect of these changes has been to undermine the Western position, and to enhance correspondingly the Soviet stature. Although neither super-power determines the course of events in the region, the relative balance of influence has shifted over the past two decades in favour of Moscow. Before discussing conditions in each country of the Northern Tier the strategic context within which they exist needs to be examined.

The rivalry between the two blocs, although more muted in tone, is now more extensive than ever. The restricted geographical area of détente has, if anything, diverted competition to areas not covered by any strong formal commitment. Parallel to this, the Soviet Union has achieved strategic parity, conventional military superiority in some adjacent regions and a global military reach. The question of Soviet propensity for 'probing' Western strength in the light of this new military capability is as yet unclear, or at least debatable. On the whole, Soviet moves have been averse to risks and opportunistic.

The shift from Western military preponderance to equality in respect of some defence systems and inferiority in some regions, has unfolded

[1] In the early 1950s during the era of 'containment' of Soviet power by the West, the phrase 'Northern Tier' was conceived to describe the original signatories of the Baghdad Pact—Turkey, Iran, Iraq and Pakistan. However, in this article emphasis is placed on only those states directly contiguous to the USSR, which were seen as barriers or at least potential buffers to the expansion of Soviet power.

Dr Chubin is the co-author of *Iran's Foreign Relations* (Berkeley: California University Press, 1974) and author of *The Soviet Union and the Persian Gulf* (Adelphi Paper No. 157, London: IISS, forthcoming). He is the co-ordinator of the Regional Security Programme at the International Institute for Strategic Studies, London. This article is based on a paper prepared for a joint Chatham House/Ministry of Defence Seminar held last July.

within a more complex political environment that has raised questions about the broad utility of military force. With the reduced salience of Cold-War issues in the past decade, alliances have become frayed. For the alliance leaders, who are the suppliers of security, questions relating to domestic growth, employment and welfare have gained priority; for the regional states, the consumers, local issues, latent or frozen, have resurfaced to dominate their concerns. For both, alliances have appeared politically onerous and expensive and not clearly relevant to the issues of the day. For the weaker alliance members, the advantages of alliances are no longer clear, not only because the 'threat' has become less visible but also because of the questioning of both the capacity and the will of alliance leaders to provide security—in the broadest sense of the word.

The problems of alliance leaders have grown enormously. The dilemma posed by increasing domestic demands and insufficient resources has made external commitments harder to justify, particularly as détente was oversold, and allies in one issue-area have turned out to be competitors in others. The intractability of many regional problems to solutions by outside powers has strengthened existing incentives to limit commitments. The Vietnam experience has encouraged retrenchment and a more selective involvement, which can be defended only by reference to a core of common values or an overriding national interest. As the capacity of alliance leaders to be effective has declined, so has the inclination to assume wider responsibilities. Yet temptations of isolationism, of decoupling, of bilateralism and even condominium with the other superpower are tempered in Washington by the recognition that the West is still vitally dependent on at least the Persian Gulf for oil, and that the relentless Soviet military build-up may have some bearing on competition in the Third World.

The states contiguous to the Soviet Union, Turkey, Iran and Afghanistan, share a total of approximately 2,500 miles of common border with it. This area constitutes a natural or 'legitimate' priority for the USSR in the Third World and has been the object of persistent Soviet interest. Turkey and Iran had a similar experience when this interest was involved in the 1940s before they had established a countervailing Western connexion. Soviet policy after the death of Stalin turned to blandishment with considerable success in the mid-1960s as both states expanded economic and cultural relations and sought to establish a more healthy balance—though with a distinct pro-Western inclination to offset Soviet geographical proximity. However, by the late 1970s the dissolution of the Central Treaty Organization (Cento) in September 1979 and the non-alignment of Iran threatened to bring about Soviet preponderance. In the shadow of growing Soviet military power (with a large air mobile component near their borders) and the shrinkage of effective distance, Turkey and Iran have been the object of unremitting Soviet political interest.

Their value to the USSR has risen as the strategic importance of the Persian Gulf has increased: they represent important buffers for Soviet security. A formal acknowledgement of this legitimate interest may be one of the 'commensurate geopolitical adjustments'[2] which Moscow expects to derive from the military build-up. Equally important, these states provide access points to the Persian Gulf and the Indian Ocean. With Western dependence for oil supplies, and growing Eastern bloc interest in the same resource, this region has become the key area of the Third World where major interests intersect. Combined with a stronger Soviet presence on the peripheries (Afghanistan, South Yemen and Ethiopia) the incentives for the appeasement of Soviet power may increase if Western policies are perceived as irrelevant or irresolute by regional states.

The problem for Western diplomacy is that, while the capacity to affect regional politics and meet the requirements of local states has decreased owing to constraints on power arising from its fragmentation, regional complexities and domestic needs, the demand for an effective and sustained involvement has grown. This is due as much to greater Western dependency on the region[3] as to the need to offset the growing Soviet military power and political presence.

Turkey and the strategic context

It is difficult to believe that the same Turkey that contributed to the allied contingent in the Korea war in the 1950s now seeks Moscow's approval for aircraft overflight of its own airspace. Turkey's malaise is due to a variety of factors: disillusionment with the West, economic, cultural and identity problems, and internal political problems.[4] None of these relates directly to Soviet military power, yet their effect may be to enhance Soviet influence. The shift to the fuzzy world of détente and the perception of a decline in the immediacy of the Soviet threat started the weakening of Turkey's relationship with the West. Western insensitivity to Turkey's needs, in particular in 1964 and after 1974, exacerbated this. President Johnson's Note of warning to Turkey over Cyprus, and the moratorium on arms a decade later, raised questions about the value of the alliance to Turkey's needs. The arms embargo reduced some areas of its armed forces by 80–90 per cent, requiring over $500 million of spare parts alone to make up these losses. In addition, a problem of block obsolescence of arms exists. The Turks believe that their contribution of

[2] See H. Sonnenfeldt and W. G. Hyland, *Soviet Perspectives on Security*, (Adelphi Paper No. 150, London: IISS, 1979).

[3] This article does not seek to elaborate on the security interdependence of conditions in Iran, Turkey and the Persian Gulf states, which appears self-evident.

[4] For background, see Michael M. Boll, 'Turkey between East and West: the regional alternative', *The World Today*, September 1979.

450,000 men to Nato is taken for granted, and the cost (approximately 25 per cent of government expenditure) too high. The Greek lobby in Congress compounds this frustration. Economic problems exacerbate this discontent. Hit hard by the rising price of energy, with a foreign debt of $13 billion. Turkey has suffered from a reduction in remittances from its workers in Europe, caught in an economic recession. With unemployment at 20 per cent, inflation at 50–70 per cent, and industry operating at only half its capacity (because it lacks cash to buy the raw materials essential for operation), political problems have been aggravated. The political system is inherently weak, partly due to proportional representation of political parties in the National Assembly enshrined in the 1961 Constitution. As a result, every government in the last 19 years has been a coalition. The sectarian passions and political polarization in the country have rendered decisive leadership impossible where narrow majorities exist. The problem of political violence (19 out of 67 provinces under martial law, and some 1,400 deaths in the 18 months up to last July) persists. Rapid population growth (3 per cent) will double the present 42 million by the year 2000 and exacerbate economic and sectarian problems.

Turkey remains a country in transition despite the Ataturk revolution and the orientation towards Europe. Religious and cultural ties with the Middle East persist, and Islam is strong in rural areas. The Islamic fundamentalist National Salvation Party under Erbakan is pressing for ties with the Arab world. Traditional and ethnic conflicts have surfaced in recent months assisted by economic discontents between Sunni and Shia (Alavis). In eastern Anatolia, the large Kurdish population (8 million) has felt the stirrings of their brethren in Iran and Iraq. In urban areas, the radical Left and the Republican People's Party have pressed for closer ties with the Soviet Union. Partly in response to this pressure, Mr Ecevit supported the legalization of the Communist Party.

Although there are limits to Western influence in dealing with Turkey's problems, these have not yet been reached. While the identity problem, of acceptance by Europe and the United States as a valued ally, is partly psychological, it has been aggravated by Western policies. The Western aid consortium[5] has been a helpful step forward. Europe's role, unconstrained by political interest groups as in the US, should be expanded to assist Turkey in arresting the profound economic deterioration which has and will continue to affect its security. The US move to increase assistance is also welcome.[6] Whether this will be adequate to meet Turkey's needs, which are said to be $1 billion a year for five years (30 per cent of it for arms alone) remains to be seen.

[5] At the end of May agreement was reached on a $1·45 billion aid package. The US contribution was $248m.

[6] The US assistance totals $500 m. for 1979; most of this is in loans, but it includes the resumption of deliveries of spare parts for arms, for example for the F-4 Es. The embargo was lifted in December 1978.

Turkey's political health, a long-standing European concern, remains of critical importance to Western security interests. The danger is not one of reversal of alliances but of alienation, drift and accommodation with the USSR. This has already occurred to some extent, and been partly used by the Turkish government as leverage on the West. Turkey was granted a $700 m. credit by the USSR, which amounted to half of total Soviet aid in 1975. In 1976, at the 25th Congress of the CPSU, Mr Brezhnev said that co-operation with Turkey was expanding from 'chiefly economic to political questions'. In July 1976, Turkey chose to accept Moscow's designation of the *Kiev* as an 'anti-submarine cruiser' as it passed through the Turkish straits. In March 1977, Moscow pledged a loan of $1·2 billion, and the expansion of a steel mill project. In April 1978 Nikolai Orgakov, the Soviet Chief of Staff, paid the first visit of a senior Soviet military officer in 45 years, and hinted at an arms relationship. In June 1978, Mr Ecevit signed a 'political document' on friendly relations with the Soviet Union. A year later, the USSR agreed to build a nuclear plant in Turkey, to double the supply of oil (from 1·5 million tons) and to expand co-operation in industrial projects.

From the Western viewpoint, much of this co-operation is valuable to Turkey and is to be welcomed. But there are disquieting elements in it. For example, Turkey's military weakness contrasts with the growth of Soviet military power. The USSR now has a significant naval capability in the Mediterranean, a modernized airforce (with Backfires), and ground forces including a 3:1 advantage in tanks near Turkish Thrace and SS-20 IRBMs in the Crimea and Transcaucasus.[7] The Turks' inclination to use their strategic importance to obtain Western concessions has already had adverse effects on Western security. Restrictions on US military installations in Turkey for monitoring missile tests and military communications and for early warning may be emotionally satisfying, but they do not enhance Turkey's security. On the other hand, the US arms embargo, the Turks believe, has demonstrated a cavalier and arrogant contempt for an ally.

Turkey's strategic importance has increased in recent years. As a result of the upheaval in Iran and its reverberations in the Persian Gulf, Turkey's Middle Eastern role has been enhanced. Its geographic control of the straits near the Soviet Black Sea fleet (where a third of Soviet fighting ships are based) remains a valuable Western asset. Its willingness to allow the USSR easy access over its airspace can severely complicate Western problems of reaction-time and logistics in Persian Gulf contingencies. Even without a 'new security concept', the drift of Turkey away from the Western alliance threatens to cause lasting damage to Western interests in the Gulf, the Balkans and the Mediterranean. Greater sensitivity to

[7] See *The Military Balance 1979–1980* (London: IISS, 1979) and US Department of Defense, *Annual Report Fiscal Year 1980* (Washington DC, 1979) pp. 90–3.

Turkish interests and a greater commitment to the needs of a poor and ailing ally is necessary if this transition is to be managed without adverse consequences for the Western alliance.

Effects of the Iranian revolution

While conditions in Turkey have steadily deteriorated, in neighbouring Iran there has been a sudden revolution. Whatever its long-term effects, its immediate consequence has been to increase regional insecurities. Taken together with Turkey's condition, it has ended any putative 'Northern Tier'. The dissolution of Cento, Iran's non-alignment and the disintegration of potentially important armed forces have improved the prospects for Soviet influence. Both the manner of the Shah's departure and his successors' policies have weakened Western standing in the region. Apart from the loss of a regional edifice in the Gulf and a moderate in the Arab-Israeli dispute, the West has lost credibility as a dependable ally in the region. The Shah's place has been taken by a militant anti-Western regime. It has defined its security more in terms of preserving Islamic values than in military-territorial terms. Its oil nationalism has changed the balance of power within Opec, encouraged conservation and increased prices. Its Islamic militance (part Shia, part pan-Islamic) threatens the balance in neighbouring states, especially Iraq, Bahrein and Lebanon. The new Republican regime presents a threat to the Gulf states in two distinct ways: its current internal pre-occupations change the balance of power in the Gulf and increase Iraq's importance, while its potential activism bodes ill for the monarchical regimes of the region. As a model, the Iranian revolution may encourage imitation in Shia communities, or in Islamic fundamentalist circles. Iran's new support for the Palestine Liberation Organization also threatens its neighbours by exposing them as 'less Arab than the Iranians' unless they adopt militant postures. Support for the policies of Camp David becomes manifestly impossible, particularly when identification with Western interests is dangerous.

In contrast to the Shah's policies, the current phase in Iran's relations with its neighbours is one of strain. With Iraq, there is the potential problem of the Shia community, which comprises the majority of the population who are effectively denied power in that country. In addition, the issue of the overlapping Kurdish populations has been revived as a bone of contention and the Sunni Arab population in Khuzestan may be the target of Iraqi agitation. With Afghanistan, too, there are problems, especially the suppression of Muslim dissidents by the Marxist government. The Kurdish question may also arise with regard to Turkey.[8] So

[8] Ironically, the Shah, when asked in July 1978 what he would like the US to do in the region, replied 'Assist Turkey'. Interview by *US News and World Report*, 26 June 1978, p. 38.

far, Imam Khomeini has confined himself to suggesting that Turkey renounce Ataturk's secular revolution and return to Islam.

For the Soviet Union, Iran's revolution on balance has been a gain, although the setbacks are considerable: the undoing of important economic links and especially a gas supply arrangement, problems with two states friendly to the Russians (Afghanistan and Iraq) and, potentially, attempts at mobilizing Muslims in the USSR. Against these, the setback for the West, the weakening of Iran, the demise of Cento, the change in the balance of power in the Persian Gulf and Middle East and the oil nationalism must all count as gains. While none of these guarantees to enhance Soviet influence, they do add up to a sharp decline in that of the West, and an altered, more advantageous, strategic environment. With virtually uncontested access to Iran's airspace since December 1978 and many levers of influence in Iran's fluid political setting, the Soviet Union is well placed to use its power to assist the Revolution in a favourable direction. As in Turkey, the upheaval in Iran was internal in origin, and Western policy, however enlightened, could only seek to ameliorate its consequences by timely advice, assistance and understanding. But even this limited margin of influence has been forfeited as a result of non-existent or ill-conceived policies. The cumulative effect has been to weaken the incentives for the other states to pursue pro-Western policies and to bring about a strategic environment less favourable to Western interests.

The Soviet foothold in Afghanistan

Whether assisted by the Soviet Union, or merely acquiesced in by Moscow, the April 1978 coup in Afghanistan transformed a historic relationship of Soviet preponderance in that country to one of exclusive influence.[9] If, in fact, instigated by Moscow, the timing and motivations for this change are unclear. Perhaps they derive more from the Sino-Soviet competition and Moscow's attendant need to consolidate its hold than by any reference to the Persian Gulf region.

A glance at the background is necessary. A coup nearly five years earlier led by Daoud had ended the monarchy and unsettled Iran and China, who detected a Soviet hand in it. In the event, over the next years Daoud reactivated but did not press Afghanistan's claim to Pakistan's Pushtunistan, and put some distance between himself, the USSR and the extreme leftist elements at home. By 1978 he was engaged in a dialogue with Pakistan, and was receptive to Iran's offer of economic assistance and a transit link to the Persian Gulf. In extenuation of the April 1978 coup, it is said by some[10] to have constituted a preventive action to forestall a

[9] For background, see Richard S. Newell, 'Revolution and revolt in Afghanistan', *The World Today*, November 1979.

[10] See, for example, Selig Harrison, *Washington Post*, 13 May 1979, and Fred Halliday, *The New York Times*, 17 May 1979.

further crackdown on leftist opponents and a drift away from its acknowledged orientation towards the Soviet Union; in short, it rectified an emerging imbalance. If it did so, it was with a vengeance. The new regime has espoused the Soviet version of non-alignment (against China, the Pol Pot regime in Cambodia and the West). It has concluded over 30 agreements with the USSR, including a Treaty of Friendship in December 1978. The leadership of Amin (as that of Taraki before him) uses Marxist terms and the Revolutionary Command Council of 15 has 13 Marxist members. The Soviet Union has expanded its economic commitment to Afghanistan, pledging $1 billion over the next five years, and tripled the number of advisers to 3,000, one-third being military personnel.[11] (Soviet advisers are usually selected from Uzbeks and Tadjiks in the adjacent areas of the USSR to minimize problems of visibility.)

After over a year and a half in office, the government's hold on the country appears shaky. Its Marxist vocabulary has only aggravated Islamic militance and xenophobia and the traditional resistance of a hardy populace in a wild mountainous terrain to the extension of any government control or pacification. Within a year, a guerrilla war has spread to 24 out of 29 provinces, the principal centres of resistance having been in the west near Herat and the north-east near the Pakistan border. Many of the guerrillas are Shiite. Despite allegations to the contrary there is little evidence of any support other than declaratory from either Iran or Pakistan. Linguistic differences (over 20 ethnic and tribal groups in a population of 18 million), and other indigenous factors, such as religious-secular and conservative-leftist cleavages, account for the widespread local resistance. There is little prospect of extending the government's control of the major towns to the outlying areas. The armed forces of 80,000 have been plagued by defections, reflecting the fractured social composition of the society.

In this situation, the Soviet dilemma is how to support a friendly government against a refractory populace without becoming embroiled in an open-ended commitment. Although there is no evidence of actual Soviet combat involvement, Moscow has provided large-scale material assistance (artillery, APCs and helicopters for transport). Over 100 Soviet citizens were reported to have been killed in April. Soviet allegations of assistance to the guerrillas by outside powers, including China, Iran and Pakistan, have become increasingly shrill.[12] This is designed in part to justify Moscow's own involvement and possibly to rationalize an eventual defeat for the government. The Soviet Union has also attempted

[11] These figures are approximations and may err on the conservative side. Some reports suggest 3,000 military advisers, but the Afghan Prime Minister, Hafizullah Amin, in August admitted to 1,600. For contrasting estimates, see *International Herald Tribune*, 6 September 1979, and *Washington Star*, 20 August 1979.

[12] On 1 June *Pravda* referred to Pakistani assistance noting that 'At issue is an actual aggression against a state with which the USSR has a common border'.

to enlist India's diplomatic assistance to curtail Pakistan's involvement.

The extent of Moscow's commitment to the Kabul government is made more intelligible by reference to the strategic setting. The opening of the Karakoram highway from north-west Pakistan to China's Sinkiang province may have figured in Soviet calculations. In addition, Afghanistan's location near the Persian Gulf, 330 miles from the Straits of Hormuz, could enhance Soviet access to the Indian Ocean, perhaps through Baluchistan. A consolidated presence in Afghanistan, in combination with that in the PDRY[18] and Ethiopia, on the periphery of that waterway, certainly also magnifies the psychological pressure within which pro-Western states operate. Nevertheless, the increased Soviet commitment carries the risk of identification with an unpopular regime and significant costs. At worst, the extension of Soviet influence will prove temporary, but since the geopolitics of the region would limit also the degree of autonomy of any other Afghan regime, the risks for the Soviet Union are circumscribed.

The erosion of Western influence in the Northern Tier states is in part a reflection of the current international system of fragmented power, frayed alliances, domestic preoccupations and the limitations on outside influence. In other dimensions, the growth of Soviet military power and political opportunism—which has been met only by Western inhibitions (some would say abdication of responsibility)—can be checked by the exercise of Western influence. This requires clarity of purpose and a willingness to exercise power. The competition between domestic needs and external interests for scarce resources is likely to increase for Western policymakers in the coming decade. In the Northern Tier (and Persian Gulf), Western interests will remain vital. The West will be called upon to deter Soviet exploitation of local crises and to ensure that the change in this region is not fundamentally antithetical to its security. A variety of mechanisms for limiting disruption will be required to do this, including stronger regional organizations, greater harmonization and co-ordination of Western policies and the utilization of 'historic ties' in bilateral relations. In short, the West will need to become more, not less, involved.

[18] See Alvin Z. Rubinstein, 'The Soviet Union and the Arabian Peninsula', *The World Today*, November 1979.

Italy between compromise and paralysis

HANSJAKOB STEHLE

ITALY has been virtually in a state of political crisis for years, during which custom rather than any hopeful factor has appeared to blunt the edge of the situation. The general election of 3 June 1979[1] and the subsequent two-month-long search for a government brought no real solution. True, the gradual but seemingly inexorable advance of the Communist Party[2] suffered a sharp setback, with a fall in its poll from the 1976 figure of 34·4 per cent to 30·4 per cent of the total last June, following which the party moved back into opposition. But the ruling Christian Democrat party derived no profit from this, either in votes (it lost 0·4 per cent, thus remaining stationary at 38·3 per cent) or in improved prospects of a coalition with the third main party, the Socialists. The Socialists themselves, despite (or possibly because of) their strenuous efforts to woo electors on all sides, improved their position by only 0·2 per cent to secure 9·8 per cent of the total, and they gave unwilling support (by their abstention) to the new government formed in August under the Christian Democrat Prime Minister, Francesco Cossiga—which might last at least until the Christian Democrat party congress in January 1980.

This is the weakest of the 36 governments formed in the 33 years of the Republic, for it owes its existence and prospects mainly to the fear present in all the parties, Christian Democrats included, of the only alternative—ungovernability. The mutual paralysis of the two main parties, the Christian Democrats and the Communists, which has prevented the democratic parliamentary machine from functioning[3] has become more rather than less acute during the period of their limited co-operation. After the general election of June 1976, the Christian Democrat party's President, Aldo Moro, was still able to speak of 'two victors' and to argue that continuance of his party's 33-year-long hegemony could be assured only with the help of the Communists rather than in opposition to them.

[1] See Muriel Grindrod, 'Italy at the polls', *The World Today*, July 1979.

[2] See this author's 'The Italian experiment and the Communists', *The World Today*, January 1977, and 'The Italian Communists on the parliamentary path to power', *ibid.*, May 1978.

[3] 'We are in a position to paralyse the Communist Party to a certain extent, and the Communist Party is in the same position with regard to the Christian Democrat party' (Aldo Moro speech in Mantua, 22 April 1977).

Dr Stehle is Italian Affairs Correspondent of West German and North German Radio and a regular contributor to the weekly *Die Zeit*. This article appears simultaneously in German in *Europa-Archiv* (Bonn) and in Dutch in *Internationale Spectator* (The Hague).

Now, after the 1979 election, there are 'two losers', neither of which can contemplate the risk of maintaining their earlier co-operation.

Moro's policy and after

The intervening three years in fact witnessed almost all the conceivable preliminaries towards a direct Communist share in government: in August 1976 with the expedient of 'no non-confidence' (i.e. benevolent abstention) whereby the Communists enabled Giulio Andreotti to form his government; in July 1977 with the 'programme agreement', providing for joint discussion of policies though not for actual coalition; and lastly formal acceptance of the Communists into the parliamentary majority on 16 March 1978. On that day, Red Brigade terrorists kidnapped Aldo Moro, author of that compromise, and 55 days later murdered him. The immediate effect of these appalling events was to bring all the parties, Christian Democrats and Communists included, closer together. But time was to show that the terrorists and their political theorists had been right in their calculations of its long-term disruptive influence.

It was Aldo Moro who had advocated debate (*confronto*), and the avoidance of direct confrontation (*scontro*), with the Communists, and by means of this dialectic tour de force had laboriously brought the divergent trends within the Christian Democrats to support the modus vivendi between themselves and the Communists. He had contrived to put the Communist leader Enrico Berlinguer's aim of a 'historic compromise' into an attractive but strictly confined perspective, by placing the Communists in a position of suspended balance midway between Government and Opposition. In a last interview (originally not intended for publication)[4] four weeks before his abduction, Moro described his long-term objective:

> . . . I believe there will then have to be a second phase, not too far off, with the entry of the Communist Party into the Government. . . Only when we have ruled together, and have each given the country the proof of our respective responsibility and capability, can the third phase, that of alternation in government, come into play. . . I am absolutely against the idea of the 'historic compromise' as the Communist Party envisages it; for a country such as ours the idea of a bi-partisan society (*società consociativa*) is no model. . . I do not think that the Communist Party has yet put its own house in order enough to rule alone. . . But supposing it were to disown its ideological origins, two things might happen: either a considerable number of its supporters would leave it, or it would maintain more or less its present position; in the first case it would not be a viable alternative to Christian Democracy, while in the second case, however far ideological revision

[4] Interview with Eugenio Scalfari, 18 February 1978; tape-recording published in Scalfari's *La Repubblica*, 14 October 1978.

went, it would not be able alone to rule a West European Nato country. . . But together with us and other democratic parties in the Government this would be possible, and indeed necessary. On our own we can no longer run the country in these circumstances. . . There are many difficulties, including those in my own party. We must take care that during this slow advance towards rapprochement the Communist Party does not weaken too much, but above all we must see to it that the Christian Democrat party does not become too weak. . .

Since Moro's tragic departure from the political scene, both these dangers have become more acute. First the Communist Party got into difficulties. It had failed to fulfil the social and economic expectations which its supporters had hoped for as a result of its move from Opposition to the fringes of Government; and its conduct at the time of the Moro affair alienated its left wing. It took a stronger stand than any other party in identifying itself with the reasons of state and rejecting any indirect or tactical flexibility towards the terrorists—'wild beasts, almost worse than the Fascists' (*l'Unità*, 19 March 1978)—and for weeks it eschewed polemics and refrained even from constructive criticism of the Christian Democrats.

The price of this policy became apparent in the local elections of 14/15 May 1978 when the Communist vote fell by 9 per cent, while the Christian Democrats improved their position by 3·6 per cent (partly as a result of sympathy aroused by Moro's fate). The Communists then took a lead in criticism of President Giovanni Leone, calling on 14 June for his resignation because of allegations of financial misconduct. The combined vote of all the constitutional parties, which elected as his successor the Socialist Alessandro Pertini, built a new bridge but also opened up some incalculable political perspectives.

On 11 June 1978 a nation-wide referendum had taken place on the possible repeal of two statutes. Both were upheld, the first, demanding extended police powers (the so-called Reale law), with a 76·7 per cent majority; but the second, providing for the financing of political parties from public funds, secured a narrow majority of only 56·3 per cent, despite the backing of both the main parties (together representing 72·7 per cent of the electorate). This indication of growing national scepticism vis-à-vis politics and parties disturbed Christian Democrats and Communists alike. On 26 May, Berlinguer had already gone so far in self-criticism as to say: 'In the past two months [since Moro's abduction] we have been generous perhaps even to the point of ingenuousness'. On 10 June, in a letter to Andreotti, he voiced his 'serious concern' about the slow progress of reforms. But discord began to show itself also in the Christian Democrat national council. True, on 28 July the party secretary, Benigno Zaccagnini, defended Moro's policy of *confronto* and advo-

cated the long-term goal of a 'new type' of Italian society which would do away with the existing 'stalemate'; but such speakers as Arnaldo Forlani and De Carolis opposed this line as theoretical and devoid of substance and were clearly aiming at a break with the Communists.

Socialist manœuvres

With both the pillars of the 'policy of national solidarity and unity' beginning to crumble, the Socialist party leader, Bettino Craxi, thought he saw the chance to advance his own party. In the weeks of Moro's detention he had won sympathy both from the extreme Left and from the Christian Democrats' right wing as the only party leader to advocate—albeit with contradictory arguments[5]—negotiations with the terrorists and even a possible exchange of prisoners. Now, in August 1978, Craxi suddenly opened an ideological offensive against 'Leninist Communism'. His aim in this was less to provoke a debate among the intellectual Left than to exploit the incipient rift in Communist-Christian Democrat collaboration to project the Socialist party as a 'third force'. In an academic and polemical essay,[6] Craxi harked back to the early anarchical-syndicalist Socialist Pierre Proudhon (1809–65). He defined his own type of democratic Socialism as the 'historical overcoming of liberal pluralism, not its destruction'. Against a 'historic compromise' such as the Communists sought with the Christian Democrats (over the heads, as Craxi feared, of the Socialists) Craxi advanced the goal of a 'left alternative'. In this the chief partner would, indeed, be the Communists, but only after their unequivocal disavowal of Leninism.

Berlinguer, in a speech in Genoa on 17 September 1978, rejected all this as an 'ideological ultimatum' and instead persisted with his own conception of a 'third way', that of Eurocommunism, which would lead neither in a social-democratic nor a Soviet direction. The unity of the leftist parties should develop, he said, 'not in opposition to the democratic, progressive forces of the Catholic world and to the possibilities of a unifying, progressive line on the part of Christian Democracy', but only in accordance with the strategy of the 'historic compromise'. However, this same strategy brought Berlinguer increasingly under attack both from his own supporters and from the compromise-disillusioned Christian Democrats. Assurances from Moro's spiritual heir that the policy of collaboration should be maintained were of little use to Berlinguer when, at the same time, the Christian Democrat party secretary Zaccagnini was assuring the critics in his party of the effectiveness of Communist asso-

[5] See Craxi's interview in *Stern*, 18 May 1978, in which he argued that the terrorists could secure a 'political triumph' by releasing Moro, while in the Socialist daily *Avanti!* (3 May) he contended that the terrorists' disruptive aims would be 'more effectively achieved by Moro's death than by his release'.

[6] Text in *L'Espresso*, 1978, no. 34 and *Mondo Operaio*, 1978, no. 9. Cf. also Craxi's report to the Socialist party's 41st Congress (*Avanti!*, 29 March 1978).

ciation in responsibility: 'If the Communist Party finds itself in difficulties..., that is not, as is sometimes suggested, a sign of our subordinate position and resignation, but just the opposite'.[7] That experienced politician, Prime Minister Giulio Andreotti, pointed unequivocally to the danger inherent in the parties' mutual suspicions by saying:

> I have little enthusiasm for a certain kind of ideological debate. Whether Marx is better or worse than Proudhon and whether Lenin is a good or bad influence in history, I just couldn't say—I belong, so to speak, to a different 'parish'. But if the Italian Communists had not lent a hand in keeping the ship afloat, goodness knows where we would be today. And if they stop lending a hand, we shall end up goodness knows where, for the ship is still sailing in stormy waters despite the first positive results...[8]

In the first two years of Communist abstention from opposition Italy had, in fact, narrowly escaped economic disaster. Though foreign indebtedness rose to L5,884 billion (£3·21 bn) at the end of 1978, the gold and currency reserves reached a record figure, standing at $36·2 billion at the end of August 1979,[9] and the lira was stabilized. Exports rose by 10 per cent in 1978, and with increasing industrial production and investment the rate of inflation fell from 18 per cent in 1977 to 13 per cent in 1978; but state expenditure rose (by 46 per cent in 1978) and so, too, did the unemployment figures (6·4 per cent of the labour force in 1977, 7 per cent in 1978). There were around a million young registered unemployed, only 54,000 of whom managed to find work (while some 50,000 Italian children work illegally). The economic situation received significant help from the three main trade unions which early in 1978 adopted a policy of restraint in relation to wage demands and strike action; and in this the Communist-controlled CGIL (*Confederazione Generale Italiana del Lavoro*) played a leading part. Its leader, the Communist Luciano Lama, suddenly discovered that it was 'foolish' to regard wages as an independent variable... The number of hours lost through strikes, though still considerable, in fact fell by 40 per cent in 1978.

But by the late autumn of 1978 it was clear that the relative restraint of the trade unions and the balancing position of the left-wing parties, including the Communists, were becoming increasingly difficult to maintain. Not only were the 'autonomous' trade unions and the far Left questioning this line—it was also becoming harder to make it palatable to the electorate of the Left. True, the economic situation had improved, but reforms promised in the coalition programme (for example, in the spheres of public security, administration, employment, housing, higher

[7] *Il Popolo*, 30 November 1978.
[8] Interview in *La Repubblica*, 6 November 1978.
[9] See *Financial Times*, 9 August 1979 and 4 October 1979.

education and last but not least the South) had been only partially set in motion, and people had as yet reaped no perceptible benefit from them. The Communists were finding it less and less possible to give approval to decisions from a Christian-Democrat-controlled government.

As early as 13 December 1978, the Communist Party for the first time in many months had voted against an important government decision, on Italy's immediate entry into the European Monetary System. On 14 January 1979 the Party daily *l'Unità* publicly threatened the Communists' withdrawal from the Government majority—'people imagine they can make use of the Communist Party like a spare tyre and so wear it out'. Did Berlinguer think he could now force the decisive step of Communist entry into the Government? Or did he merely consider it an opportune moment to revert to the Opposition—even if it meant running the risk of a premature general election? Opinion polls[10] prophesied pretty accurately the loss of 4 per cent which the Communists were in fact to sustain in June, though they also reckoned an increase of 3·4 per cent for the Christian Democrats—which proved wide of the mark. Even if such figures foretold no decisive shift of strength, they gave some ground for confidence to the Christian Democrats and for caution to the Communists.

Government crisis and elections

Andreotti's resignation on 31 January inaugurated a six-months' government crisis, the longest in the life of the Republic. President Pertini at once called on Andreotti to form a new government, but after three weeks of efforts he had to announce failure. Berlinguer sarcastically but correctly summed up the position when he said: 'The Christian Democrats won't have us in the Government but want to prevent our going into Opposition'.[11] The President then sought an unconventional way out of the dilemma by calling on Ugo La Malfa, the respected leader of the small Republican Party. Had La Malfa succeeded, he would have been the first non-Christian Democrat Prime Minister since the end of 1945; but on 2 March he too had to admit failure. The Communists had indeed by then somewhat modified their demands and were prepared to support a Cabinet containing two left-wing Independents,[12] but the Christian Democrats would not accept this. Andreotti then spent another month trying to revive the former coalition and in the end—after Berlinguer had promised at least 'constructive' opposition—on 31 March he presented a minority government (of Christian Democrats, Republi-

[10] E.g. the Doxa opinion poll of December 1978 (cited in *L'Espresso*, 21 January 1979).

[11] Speech in Cagliari (*l'Unità*, 5 February 1979).

[12] These were the former EEC Commissioner Altiero Spinelli and a medical professor, Adriano Ossicini, a 'Catholic Communist' and early friend of Andreotti.

cans and Social Democrats) which failed to secure a vote of confidence. It would, however, provide some administrative continuity during the election period on which all parties now unwillingly embarked.

As matters fell out, the start of the election campaign coincided with the Communist Party's 15th Congress (30 March–3 April). This relieved Berlinguer of the need to put out a detailed policy review and enabled him to tone down the 'revolutionary' aspects and avoid clarifying relations with Moscow. By means of such concepts as 'new internationalism' and 'new Communism' the Communist Party's years-old balancing act was launched yet again, this time with the main object of preventing voters from falling away to left or right. Like the Party itself, the Soviet Union, according to Berlinguer, was 'a mid-way country, with profound elements of Socialism and a number of authoritarian elements'.[13] The Western alliance was endorsed again only as a European balancing factor and a 'protective shield' for his own Eurocommunist experiment, not as the result of defence needs against Soviet great-power policy; Moscow's international involvement in the Middle East, Africa and Asia was accorded a mainly approving and indulgent judgment, seldom verging on the mildly critical. But the programme 'Theses' and the new Party statute, which the Congress approved, showed how far the Italian Communist Party had moved away from Leninism towards a less doctrinaire approach.[14]

It professes adherence (in Thesis 15) to a 'secular state' which 'in no way owes allegiance to any current of thought, ideology or religion' and also avows 'the principle of its own secularity'; this signifies 'full respect for the personal conscience of Party activists in relation to their philosophical and religious convictions'. They have the right, according to Article 6 of the Statute, 'in any Party caucus to express and defend their theoretical and cultural motivations'. No mention is made of their obligation, embodied in the old Statute, to give adherence to Marxism-Leninism, or of the concept itself. The ideas of Marx, Engels, Lenin, Gramsci and Togliatti form, so the Preamble of the Statute says, 'a guiding source for analysis of a situation' and 'must be critically verified and renovated in the light of reality and experience'.

The Italian Communist Party's commitment to 'complete autonomy in relation to any other tie', and to a Socialist society based on a multiparty system and on 'the guarantee of all freedoms', thus acquired a more solid basis. All this, however, did not prevent (indeed perhaps partly accounted for) the Party's loss of over a million votes in the 1979 election out of the 12·2 million it had secured in 1976. Alfred Reichlin, editor of

[13] See interview in *La Repubblica*, 28 May 1979, and Berlinguer's speeches at the Congress in *l'Unità*, 31 March and 4 April 1979.

[14] Texts in *La politica e l'organizzazione dei comunisti italiani* (Rome: Editori Riuniti, 1979).

l'Unità drew the conclusion (12 August) that in the past three years the Party had not succeeded in solving the real political problem, which was to discover how to take the last step to power in an industrialized Western country without disowning its goal of changing society. Eurocommunism, he said, had not yet found its 'final organizational and ideological form'.

But this also made it more difficult for Christian Democracy, both during and after the electoral campaign, to adopt a clear attitude towards its indispensable Communist opponents. The party's national council on 21 April unanimously endorsed both the furtherance of 'democratic solidarity' and the 'impossibility'[15] of forming a direct coalition with the Communists: as Zaccagnini put it in his cautious summing up, the evidence of an evolutionary process among the Communists should not be confused with its outcome. Any hope of tapping fresh reserves of voters on such a basis was doomed to disappointment: on 3 June the Christian Democrat party in fact lost 200,000 of the 14·2 million who had voted for it in 1976 and thus, with only a relative majority, was in no position to dictate conditions to a potential partner in a coalition. In theory, the Socialist party was indeed, as before, a possible partner; but despite all its efforts to present itself as a credible 'third force', it still had only just under 10 per cent of the total vote and had failed to profit from the Communists' losses.[16] Its return to a coalition with the Christian Democrats (on the lines of the Centre-Left of the 1960s) had therefore become even more improbable. Consequently all Andreotti's proposals were rejected, and after nearly four weeks of negotiation he had to abandon the attempt to distil a working majority out of the results of that indecisive election.

President Pertini then sought a way out of the impasse by calling on 9 July on the Socialist leader, Bettino Craxi, to form a government. Could this 'third-party' man preside over a definitely left-of-centre government or possibly even a preliminary for a Popular-Front-type 'alternative of the Left'? The reaction to this attempt was typical of the present state of Italian democracy and the weakness of its main parties. On 10 July *Il Popolo* was already warning against a 'Chilean prospect' and two weeks later the Christian Democrats' definitive 'No' sealed Craxi's failure.[17] Even the Communists, to whom Craxi had opened the door wider than the Christian Democrats had done, showed only moderate enthusiasm for him; and Berlinguer, too, used the bogey of 'Chile' and 'a coup from the Right' to warn against the dangers if Christian Demo-

[15] But the word 'never' (*mai*) did not appear in the text of the resolution, which was published in the Christian Democrat daily *Il Popolo* only on 11 May, although it had been announced on 22 April that it would appear on the 24th.

[16] Votes lost by the Communists were accounted for mainly by the Radical party (3·8 per cent of the total) and by 'anti-political' protest abstentions—4 million abstained altogether, and 1·4 million handed in blank or spoilt voting papers.

[17] Cf. *Il Popolo*, 25 July 1979.

cracy were to be outmanœuvred and excluded.[18] The Communist Party leader, who in 1973 had developed his strategy as an immediate result of Allende's disaster in Chile, now (contrary to the expectations of many among both his supporters and his opponents), though he had reverted to Opposition, still adhered to his idea of a 'historic compromise between the democratic leading forces of Italian society' (*Rinascita*, 24 August 1979). This certainly included the Socialists, of whose disappointment Berlinguer took advantage to build a bridge in talks with Craxi on 20 September; but in the forefront of its aim were the Christian Democrats. The objective now, wrote Berlinguer in *Rinascita*, must be 'together to work out a common plan for development and revival', to overcome the energy crisis, inflation, ungovernability and the plight of youth through a policy of austerity aimed at 'quality of life' rather than quantity. 'Can it be', he asked, 'that after Moro's death no one in the Christian Democrat party can understand that this is the test for everyone, and that for Christian Democracy itself its role, perhaps even its very life as a popular democratic party, is at stake?'.

The situation, in fact, held both danger, and opportunity for a Christian Democrat party bent on maintaining its leading role; yet two months after the June election the best it could do was to produce on 2 August, under Francesco Cossiga, a weak 'government of truce' dependent on its opponents' benevolence.

A government of truce

This makeshift solution came about swiftly in the end, after a much more serious attempt to construct a government under the Christian Democrat Filippo Pandolfi had failed at the last minute—on 31 July—owing to the opposition of the Socialists. The latter not only took their revenge on the Christian Democrats for their rebuff to Craxi; they also aimed to prevent Pandolfi (who is not a party politician but a respected technician and author of the three-year economic emergency plan) from opening up prospects for the Christian Democrats of a new period of governmental stability, inclining towards the Right rather than the Left. That prospect faded out when on 9 August Francesco Cossiga, with the support of the Social Democrats and Liberals and the abstention of the Socialists and Republicans, presented his minority Cabinet to the Chamber. 'The Government recognizes the political limits which the present situation imposes on its actions', he said, and he humoured the Communist Opposition, 'which democratically represents broad sections of the population, which is closely associated with the history of our national liberation, and which in the latest phase played a particularly responsible part in relation to government in the parliamentary and public life of the country'.

[18] See Berlinguer's interview in *Stern*, No. 34, 1979.

On 1 September the Christian Democrat deputy-secretary, Giovanni Galloni, was already painting a sobering picture of the future: 'First, there is no possibility of reviving the old Centre-Left; secondly, political and parliamentary stability is impossible without the resumption of a dialogue which will include also the Communist Party'.[19] For the Christian Democrat party, which may look for fresh impetus from the advent of a Polish Pope in the Vatican but must expect less clerical support, that 'dialogue' is no longer just an academic question but the subject of internal disputes which threaten to split its very identity. And this forms the precarious background of the 'truce' that Cossiga embodies.

Italy's problems, with the prospect of continuing strikes and the threat of a near-19 per cent inflation, allow of no truce, and the idea of yet another election seems fruitless. The advocates of Moro's strategy, who like its opponents can no longer be simply labelled 'left' or 'right' but are actuated by Andreotti's type of pragmatism, might indeed gain the upper hand at the Christian Democrat party congress in January 1980; their opponents, personified by Arnaldo Forlani, in setting their sights on the Socialists tend to confuse the desirable with the viable.

Yet Italy would only become governable again if its two main parties could achieve credibility by internal renewal: the Christian Democrats as a genuine party of social reform, the Communists as a truly legitimate democratic party. Both these developments must depend on how much time and space the international situation, and first and foremost East-West relations, can grant to Italians.

[19] Interview in *La Repubblica*, 2 September 1979.

Mediterranean labour in an era of slow Community growth

G. N. YANNOPOULOS

For more than 20 years the abundant labour resources of the developing countries of the Mediterranean basin helped to sustain a period of uninterrupted growth and unprecedented prosperity in Western Europe. In the space of a quarter of a century, emigration from the Mediterranean countries reached the size that it took almost a whole century to attain during the era of the great transoceanic migrations. Apart from the time

The author is a Lecturer in the Department of Economics at the Graduate School of Contemporary European Studies, University of Reading; co-author and co-editor, with Avi Shlaim, of *The EEC and the Mediterranean Countries* (Cambridge: CUP, 1976), and of *The EEC and Eastern Europe* (Cambridge: CUP, 1978).

scale, another difference was that Turkey, whose population took no part in the great migrations from the area in the past, has now contributed to the mass labour movements to Western Europe in impressively large numbers.

Today, there are about 7·5 million migrant workers in Western Europe. If one adds to that number their dependants who stay with them the total size of the migrant population comes to about 13 million.[1] This figure does not take into account the existence of illegal migrants or the fact that statistics in some countries, such as France, tend to under-record systematically the number of migrant workers. Taking all these factors into consideration, the migrant population of the European Community alone is probably of a size not much below that of the Dutch population. Migrants constitute the tenth hidden state—and the sixth largest—within the European Community. Of course, not all these migrants come from the Mediterranean area. In countries like the United Kingdom and Denmark, a large proportion of the migrant communities hails from other areas such as the Commonwealth, Ireland and Finland. But the contribution of the Mediterranean labourers in the labour markets of France, Germany and Luxembourg is still substantial—ranging from 7 per cent in the case of France, to 10 per cent in Germany and up to 33 per cent in Luxembourg. The dependence of most Community countries on migrant labour becomes more dramatic when one looks not at the labour market as a whole but at particular sectors, industries or occupations. Construction, coal mining, the foundries, the catering trades, sanitary services, motor car assembly line production and various parts of many industries characterized by the presence of menial, unskilled, repetitive types of jobs, are employing migrant workers in large proportions—sometimes exceeding 25 per cent of their workforce. Even during the recent recession, in 1975, the Ford plant in Cologne had to fill 75 per cent of the additional workers required for that year from the migrant community.[2]

These post-war, large-scale labour movements were partly spontaneous and partly organized. 'Push' factors from the emigration countries, such as limited prospects for employment and lower wages, as well as 'pull'

[1] This estimate is based on a variety of sources including the recent survey by OECD's Continuous Reporting System on Migration (summary in *The OECD Observer*, No. 97, March 1979, p. 33) and the *Bulletin of the European Communities* (Supplement, September 1978). An attempt was made to reconcile the estimates given for the two major labour-importing countries, France and Germany, with the UK basis of estimating the size of immigrant population. French and German assessments are based on nationality (thereby excluding naturalization cases and immigrants from the French Overseas Departments) whereas British data are based on population with both parents born overseas. The procedure used was to estimate first the number of immigrant workers and then to translate it into immigrant population on the basis of estimates from various sources on the average size of immigrant families.

[2] Hubert Höping, 'Foreign labour problems', *Intereconomics*, No. 5, 1976, p. 127.

factors from the immigration countries, such as persistent labour shortages and fast rising earnings, provided the stimuli for migration. But to a considerable extent both the immigration and the emigration countries aided these movements in many different ways. A complex network of 35 bilateral recruitment agreements are still operational in principle. They provide the institutional links through which the labour markets of the Mediterranean countries become part of a broader European labour market that operates on a wider geographical scale.

The curious development of the period up to the 1974–5 economic crisis was that, despite the free labour movements provisions of the Treaty of Rome, both inter-state and inter-regional labour mobility within the EEC has been declining progressively ever since the inception of the Community. Several reasons can explain this phenomenon. Inter-state wage differentials in the EEC have been narrowing down, the growth momentum that was partly maintained through the dynamic effects of European integration raised expectations for local development, and the workings of the Common Agricultural Policy have created more favourable prospects in regions traditionally characterized by high emigration rates. The resort to foreign migrant labour seemed then the only feasible alternative to overcome emerging production bottlenecks.

In the initial phases of the employment of foreign migrant labour, the immigration countries enjoyed other benefits apart from the smooth expansion in production through the overcoming of production bottlenecks. The fact that immigration was on a temporary or short-term basis enabled European producers to react more flexibly to cyclical fluctuations in demand. Migrant labour was performing the role of a shock absorber during periods of recession. For example, during the period 1974–6 the number of migrant workers in Germany was reduced by a quarter. The use of migrant labour enabled host countries to realize economies in large-scale production, to keep down their labour costs and thus improve their relative competitive situation in the international markets. The export-led growth that characterized the pattern of economic expansion in the 1960s had been positively assisted through the use of migrant labour from the Southern European countries. More significantly, migrants were eager to take up jobs that Europeans were not prepared to accept, thus helping Community workers to move to higher-skill jobs; to work night-shifts, thus helping towards the more intensive use of equipment; and to move without resistance in and out of short-lived jobs.

Recruitment policies reassessed

Yet, despite the advantages that many Community countries derived from the employment of migrant labour long before the recent recession, a reconsideration of the policies of recruiting foreign labour started taking place. Already in 1962 the Macmillan government in the United King-

dom introduced restrictions on immigration. France in 1971–2 restricted the numbers of Portuguese and Algerian workers allowed to enter the country and the Minister of Labour, Joseph Fontanet, issued his controversial circular to withdraw residence permits from foreign workers who lost their jobs. The decision to stop recruiting foreign workers in Germany was taken before the recession was actually on—in November 1973. In addition, there was also the case of Switzerland, where strict controls on immigration were introduced as early as 1963. All these developments show that the reversal of the European policies on the employment of migrant labour stems from more fundamental structural changes in the European societies and cannot be merely attributed to the recent recession. The recession simply served to hasten trends which were already taking shape before it.

The two major factors that produced these structural changes in the European labour markets are the changing nature of migration on the one hand and the reversal of the demographic trends on the other. The benefits of employing migrant labour continue as long as the contribution of the migrants to the host nation's produce exceeds their claim on that nation's resources. Such a condition is satisfied when migrants tend to stay over a short period of time, come unaccompanied by their families and other dependants and have an age structure younger than that of the native labour force. Immigration to the European Community from Southern Europe and Northern Africa satisfied these conditions for many years. But from the mid-1960s it became apparent that the migrants tended to remain longer than expected. Family immigration started also to rise. Migrant demands on social services such as housing, education, health and roads created pressures on the host nation's resources. Satisfaction of these demands meant diversion of resources from more productive to less productive uses. In the short run, it meant inflationary pressures; in the long run, slower productivity growth. For a number of years it became possible to postpone the satisfaction of the migrants' needs in housing only at the price of creating additional problems arising from the emergence of migrant ghettos in a number of European cities.

If longer stay and family migration impose demands for infrastructural facilities such as housing, education and others, provision of these facilities generates demands for certain jobs that are filled mainly by foreign workers. At this stage, the process of migration becomes self-perpetuating, self-feeding. This is the first qualitative change in the nature of migration. The other change that occurred relates to the tendency of foreign workers to be heavily concentrated in certain regions and cities. As these concentrations become relatively big, they tend to evolve into sources of social conflict and strife. To avoid this, positive measures must be taken towards the integration and assimilation of migrant communities. This, too, requires additional resources. Finally, domination of

certain sectors and activities by foreign workers also causes concern—although not of an economic character—to the authorities. Such concern is magnified particularly as immigrant workers become aware of their social strength and modify their behaviour accordingly.

Changing Community labour markets

Changes in the nature of migration explain only partly the reversal of the policies on immigration by European governments. Demographic and social changes in Europe are now producing a situation in which, contrary to what was prevailing in the 1950s and 1960s, the supply of labour will be persistently in excess of the demand.

The higher birth rates of the past decade will produce constantly up to 1985 a higher rate of increase in the working-age population of all European countries. In Germany, for example, this trend in past birth rates will raise the number of school leavers from 750,000 in 1976 to 950,000 in 1982.[3] The growth of the Community's labour force will be determined by two other developments besides the impact of past birth rates: the increased occupational and career aspirations of women which will bring a larger number of female entrants to the labour force, and the reversal of the long-term trend in educational expansion which will bring more younger people earlier into the labour market.

Taking all these factors into account, the labour force of the European Community is expected to increase from an annual rate of 0·27 per cent for the period 1970–5 to 0·67 per cent for 1975–80 and 0·74 per cent for 1980–5.[4]

What, then, are the implications of all these developments on the labour of the Mediterranean countries? Do they imply that the restrictive measures regarding new recruitment of workers from the area of Southern Europe and Northern Africa are there to stay for good and that the demand for migrant labour will cease to exist in Europe? To answer this one has to look further into the expected changes in the manpower requirements of European industry. Sectoral and industrial trends and prospects indicate that, despite the excess supply of labour and the trend for higher unemployment rates, at least up to 1985, there will also be increasing mismatches between labour supply and demand. The need for migrant labour will continue to exist—although to a limited extent compared with the past—because the indigenous labour will continue to be unwilling to perform certain jobs that have low status and are deemed socially undesirable. The availability of migrant workers in the past has probably reduced even further the willingness of indigenous workers to

[3] David H. Freedman, 'Employment perspectives in industrialised market economy countries', *International Labour Review*, vol. 117, 1978, p. 3.

[4] *Demographic Trends: 1970–1985 in OECD Member Countries* (Paris: OECD, 1974), pp. 96–7 and 219–35. See also H. Werner, 'Employment problems in Western Europe's industrial states', *Intereconomics*, No. 1/2, 1977, p. 47.

perform these so-called low-status jobs. Because of this segmentation in the European labour markets, migrants, far from being competitive with the indigenous labour force, are probably complementary—with the exception of part of the female labour force. This means that, unless social attitudes towards certain types of jobs change, a complete ban on immigration will make only few jobs available to Community workers. The social attraction of a job can increase if wages offered are raised appropriately. But in an inflationary era and with unions watchful on differentials, such an option is not realistic.

There still remain two alternatives to the use of migrant labour. The first is to change the mix of production and to move towards commodities requiring less labour inputs. But this option, too, will have limited effects because so many of the low-status jobs performed by migrants are in essential public services. The other alternative is to induce firms that are heavy users of mainly unskilled labour to expand abroad in the countries of emigration. This is a more risky undertaking for the firm and requires the willingness of the emigration country to provide the necessary guarantees for foreign investors. Current trends in German investment abroad indicate that the share of that investment going to the Southern European countries is actually rising. The Dutch government is currently spending 30 million guilders on a programme designed to identify employment creation opportunities in countries of high emigration.[5]

Implications for Southern Europe

Such measures will no doubt help, but on the whole there are not enough to compensate for the reduction in the demand for migrant labour up to at least 1985. Some Southern European countries which have succeeded in the past to generate enough growth of their own will have no major difficulties to cope with the problem—provided no mass return migrations take place. Spain and Greece fall into this category. Emigration from these two countries consists of a tiny portion of their labour force. The countries most affected by the developments in the Community labour markets are Portugal, Yugoslavia and Turkey.

In Portugal, the sharp decline in emigration coincided with the return of the repatriates from its ex-colonies. The result has been high unemployment now estimated at 14 per cent. In Yugoslavia, the resident population of working age is expected to increase by 520,000 persons between 1976 and 1980 compared with only 70,000 during 1971–5. The difference comes from declining emigration rates. As part of a deliberate policy by the authorities, more employment openings are created in the socialized sector of the economy but, it must be noted, with adverse effects on productivity.[6]

[5] This is the project known as REMPLOD.
[6] OECD Economic Surveys, *Yugoslavia* (Paris: OECD, June 1979), p. 17.

Turkey is the country most seriously affected. Its population growth rate is more than twice as high as that of the other countries of Southern Europe. Despite its high-income growth rate it is impossible to absorb into gainful employment all its 400,000 new entrants per year to the labour markets. In the past, about half of these new entrants were absorbed in local jobs. Of the remaining, half migrated abroad and half joined the ranks of unemployed. Now all these 200,000 will stay unemployed since return migration just outweighed emigration. No wonder that the unemployment rate has reached 15 per cent.[7]

Given that the demand for migrant workers in Europe is likely to be low throughout the 1980s, are there measures that can be adopted by the Community to improve the employment position of the emigration countries most seriously affected? The possibility of investment relocation has already been mentioned. Another measure could be the channelling of the migrant workers' savings into investment projects in the emigration countries. Co-operation between deposit banks in the countries of immigration and investment banks in the countries of emigration could be developed perhaps along the lines of the recent German-Turkish banking co-operation venture. Yet another form of contribution is the training of migrant workers in Europe for jobs that are appropriate for the development of the emigration regions. A programme along these lines has been recently introduced by the French government.

As return flows are likely to continue, the emigration countries themselves will be faced with the necessity to take positive measures in integrating return migration into their development plans. Heavy emigration regions within the Southern European countries must be given priority in these development plans. The need for such measures will not be reduced for those Southern European countries acceding to the Community. The transition period for implementing the free labour movements provision of the Treaty of Rome will be a lengthy one. It has already been fixed to seven years for Greece.

[7] OECD Economic Surveys, *Turkey* (Paris: OECD, November 1978), p. 27, also Table 21. The 13·5 per cent figure given in this survey has been adjusted to take into account seasonal unemployment in agriculture, where the size of the active population is 7·9 million.

The nuclear issue in Swedish politics

PETER JAMES

SWEDEN is a country which has often seemed to have a special relationship with the future. For social democrats it was the ideal form of the welfare state: the 'Middle Way' between American capitalism and Soviet communism.[1] For the Right, it incarnated the evils of 'socialism' —pernicious and perhaps (in pessimistic moments) inevitable.[2] In modern jargon, it is the leader of the gallop towards a 'post-industrial society'.[3]

Since 1976, when the Social Democrats fell from power after 40 years in government, and when the delayed effects of world recession began to bite, its position has become more problematic. Today, Sweden appears as a mirror image of every other Western country, shaken and made uncertain by the harsh effects of a changing world economy. Its indecision was measured in the recent September 1979 elections, when only a few thousand votes and one seat separated the party blocs despite—or perhaps because of—the similarity of their economic programmes.[4] Yet there is one political issue—more prominent in Sweden than anywhere else in the world—which has aroused such passions that it has already led to the downfall of two governments, in 1976 and 1978, and will almost certainly break up the present coalition in 1980. This issue is nuclear power: it is an area where Swedish developments will once more be of profound significance to the rest of the world.

As in other Western nations, the economic growth which Sweden has achieved in the post-war era created a more than corresponding increase in energy demand—running at a rate of 4·6 per cent per annum in the 1960s. The result was the most heavy reliance on imported energy, especially oil, of any Western country, as Swedes were uncomfortably reminded after the 1973 Yom Kippur War. Thus, in 1975, oil provided

[1] The classic expression of this is M. Childs, *Sweden—The Middle Way* (Yale: Yale University Press, 1961).

[2] R. Huntford, *The New Totalitarians* (London: Alan Lane, 1971), sees Sweden as an embryonic 'Brave New World'.

[3] See R. Tomasson, *Sweden—Prototype of Modern Society* (New York: Peter Smith, 1970) for a comprehensive argument as to why Sweden is the foremost embodiment of modern society.

[4] Of the 349 seats, the Social Democrats won 154 (+2), the Conservatives 73 (+18), the Centre 64 (−22), the Liberals 38 (−1) and the Left Communists 20 (+3).

Mr James is a freelance writer on energy and environmental affairs. He would like to thank Erik and Dorothy Liljiequist for their help in the preparation of this article.

70 per cent of all energy needs and accounted for 17·8 per cent of all imports (by value). Such dependence has made the relationship between the 'energy crisis' and the 'economic crisis' especially apparent to Swedes, unaccustomed as they are to the unemployment, inflation, troubled industrial relations and balance-of-payments deficit which have bedevilled the country in recent years.

New focus on energy

As elsewhere, energy in Sweden had not been seen as a coherent area of policy concern until this point. The chief focus of government action had been the limited aim of encouraging the expansion of electricity generation and usage, combined with a desire to reduce dependence on imported oil. Given that most of the feasible hydro-sites had already been utilized—and those which had not were open to severe environmental objections—it had seemed since the 1950s that an expansion of nuclear power was the obvious solution, especially as substantial uranium reserves existed in central Sweden. By the early 1970s, plans had been made by both public and private utilities to construct 11 reactors, sited in four nuclear parks (Barsebäck, Forsmark, Oskarshamn, Ringhals), each near to a major industrial area. Thus, even before 1973, the development of nuclear power had become the touchstone of future prosperity in Sweden. Afterwards, the maintenance of prosperity was seen to be even more dependent on continued progress in the nuclear sector. Once the immediate chaos which followed Yom Kippur had subsided, energy became a policy area of high priority. The result was a new and comprehensive programme, introduced to the Riksdag in February 1975 by the then Prime Minister, Olof Palme. This programme greatly modified previous projections of energy usage. It anticipated a reduction in the rate of increase of energy demand to 2 per cent per annum by 1985, and to zero by 1990. This was to be achieved by a more efficient use of energy resources, encouraged by higher rates of energy taxation, conservation measures and a crash research programme. In addition, the substitution of electricity for oil was given further emphasis, with almost all the increased demand to 1985 to be met from this source. Most of this increase was met by coal-burning hydro-installations, and nuclear energy, with two further reactors planned for the Forsmark site. Although commitment to reprocessing or waste storage was avoided, projections for a uranium mine in the Ranstad area of central Sweden were to be drawn up. These decisions were accompanied by press reports suggesting that a total of 24 reactors was planned to be in operation by the year 2000, supplying two-thirds of electricity requirements and making Swedes the highest per capita users of nuclear energy in the world.[5]

[5] M. Lonroth, 'Swedish energy policy', in L. Lindberg (ed.), *The Energy Syndrome* (Lexington, Mass.: Lexington Books, 1977).

The programme was endorsed by the Riksdag in 1975, with a voting pattern which was of some importance to later developments. Thus the Social Democrats were allied with the Conservatives (at the opposite end of the political spectrum) in support, whilst their usual supporters, the Left Communists, combined with the Centre Party in opposition. Most members of the other major party, the Liberals, abstained.

Environmentalist concern

The debate on these measures took place against a background of demonstrations by environmental and anti-nuclear groups, with opinion polls suggesting that a majority of the population supported them. Thus, a poll taken a few days before the Riksdag vote found that 63 per cent of respondents were against any further development of nuclear power, 31 per cent were for it, and only 9 per cent favoured the full expansion to 13 reactors.[6]

One of the main factors in producing such great interest in a question which, until recently, has conspicuously failed to become of central political importance in other Western countries, is the developed environmental consciousness which exists in Sweden. A basic cause of this is to be found in a deep, almost mystical attachment to nature, revealed in such cultural patterns as the contrived vitality of the 'rural idyll' in native art and crafts. Sociologically, such feelings can be accounted for by the traditionally dispersed nature of settlement patterns, and the very recent urbanization. They have been powerfully reinforced by modern patterns of second homes in the country, to which urban dwellers retreat as much as possible in the summer months. This was given political expression as long ago as the turn of the century in movements whose aim was to gain free access for all to the Swedish countryside, and has continued, especially in the form of concern at the environmental consequences of hydro-power developments. Today, it helps to explain the very broadly based membership composition of the environmental movement, as well as the fact that political concern has spread far beyond its ranks to other sections of society. This may be cited as the chief factor in producing the comprehensive set of environmental controls—often claimed to be the most rigorous in the world—which have been introduced in the 1960s and 1970s.[7] Its continuing vigour can be seen not only in the energy debate itself, but also in such areas as the widespread concern with the effects of pollution from other European countries—especially Britain and Germany—on Swedish ecology.

Even within the environmental movement, however, concern over the question of nuclear power did not become widespread until the 1970s. Three factors which seem to have been especially important in triggering

[6] Quoted in *Current Sweden* No. 177, November 1977.
[7] See OECD, *Environmental Policy in Sweden* (Paris, 1977) for further details.

the issue were an (unsuccessful) attempt to site a combined heat-and-power reactor on the outskirts of Stockholm, rising concern at the proximity of the Barsebäck site to Malmö and Copenhagen, and the influence of Hannes Alfvén, a physicist and Nobel prize winner, who changed from a leading supporter to an opponent of the industry during this period. Finally, the issue was brought further into the public eye in late 1974 by a state-financed study, carried out by the various adult education associations, in which over 100,000 people took part.

Politically, the rise of the issue can be traced to 1973, when Birgitta Hambraes, a Centre Party deputy, raised the question of a nuclear moratorium in the Riksdag. This party, after changing its name from Agrarian Party in 1957, has been the most dynamic in Swedish politics in the last two decades, increasing its share of the votes and seats won at every general election between 1956 and 1973.[8] This paralleled, and was largely caused by, a broadening of its rural orientation to a concern with such areas as decentralization, the environment, and the adverse effects of modernization. For most party supporters this change stems from a natural extension of traditional concerns, as evidenced by the career of their leader, Thorbjörn Fälldin, who often speaks of the influence which his spell at the Nature Conservancy Board and the views of Hannes Alfvén have had upon him. More cynical explanations from outsiders suggest that the party's 'movement into ecology' stemmed largely from vote-winning reasons. Whatever the cause, however, there can be no doubt that it has been its concern with energy policy, especially nuclear power, which has made the issue such a potent one in contemporary Sweden.

The divisions over nuclear power and energy policy, which cut across the usual socialist/non-socialist dichotomy of Swedish politics, were repeated in the general election which was held in September 1976. Although the economic situation and levels of taxation were expected to be the major issues—as indeed they were—it became apparent during the last stages of the campaign that the question of nuclear power had become an important consideration for many voters.[9] During it, Fälldin unequivocally committed himself and the Centre Party to a rejection of the 'nuclear alternative'. To do this he aimed to decommission all five working reactors by 1985, and to prevent any of the seven under construction from opening, especially the controversial Barsebäck 2 reactor which was planned to begin operation in late 1976. Although subsequent Social Democratic assertions that the nuclear issue cost them electoral victory are probably exaggerated, it was certainly a major factor in making

[8] See N. Elder and R. Gooderham, 'The Centre Parties of Norway and Sweden', *Government and Opposition*, Vol. 13, No. 2, Spring 1978, for a comprehensive account of the Centre's rise.

[9] See T. C. Archer, 'Sweden: shift to the right', *The World Today*, November 1976, for a discussion of the campaign.

the Centre the strongest party in the coalition government which was formed.

The Energy Commission Report

After the election, it soon became clear that there was no unanimity of views between the coalition partners on the nuclear issue (or, indeed, on many others). The Conservative Party especially was in favour of the nuclear option, and many commentators forecast the early demise of the government over this question. However, on 8 October 1976, Fälldin, as the new Prime Minister, presented a policy statement to the Riksdag which bore all the marks of a shotgun compromise, as he himself admitted under questioning. Under the new policy, existing reactors were to continue in operation, pending the report of a special Energy Commission. This Commission was to examine alternative strategies for future energy policy, and to formulate a standby plan for the phasing-out of nuclear power. Should opinions prove divergent, he envisaged the possibility of a consultative referendum on the issue. With regard to reactors under construction, a new Conditions Law would not allow these to operate until acceptable contracts had been signed for the reprocessing of spent fuel, and until it could be demonstrated that an absolutely safe method of storage for the radioactive waste had been found. The sole exception to this ruling was the Barsebäck 2 reactor, which was to be commissioned and allowed to operate until 1 October 1977, when similar conditions would apply. This last decision was particularly difficult for the Centre Party and its anti-nuclear supporters to swallow, given their pre-election commitment to close it down. However, it was justified by Mr Fälldin as part of a package which was 'an interruption of our march into a nuclear society'. Privately, such a breathing space was seen by party activists as a period when falling demand forecasts and changing opinions would win over many previously hostile sections of the public.

In fact, the composition of the newly-created Energy Commission made it clear that its term would only be a holding action: with all the political parties and major interest groups represented, any unanimous report was unlikely. Initially, it seems, the Centre Party hoped that a majority of the members would come to support its policy, and recommend the eventual phasing-out of nuclear power. Such hopes were dashed long before the final report, as several of the study groups set up by the Commission concluded that such a course of action was impractical.

In the final Report, published in March 1978, four alternative energy scenarios were discussed.[10] Two of these envisaged the closing down of all nuclear reactors by 1985 and 1990. The third allowed for a continued

[10] *Energi. Betankande av energikommissionen* (English summary), SOU (Stockholm, 1978).

expansion of nuclear power in the 1980s, but with no commitment to any further growth, whilst the last saw a continuing expansion of nuclear power in the 1990s and beyond. The examination of these alternatives included such factors as investment needs, implications for government action, risks for health and environment and macro-economic consequences, the latter studied by means of the standard government computer model of the economy.

Although admitting that it was 'technically possible to replace nuclear power with other energy over a ten-year period', the majority of the Commission favoured the third alternative, largely on the grounds of cost. Their report concluded that 'energy policy should focus on keeping open *all* available alternatives', and that 'there should neither be a phasing-out of nuclear power nor a binding commitment to nuclear power as an indispensable part of our energy supply system through an intensification of nuclear energy activity in Sweden'. Opinions varied as to the eventual number of reactors required, but all fell within the range of 10 to 13. To increase self-sufficiency, the report recommended that indigenous uranium resources be exploited, though without specifying whether this should include the highly controversial plans to mine in the Ranstad area of central Sweden. Many of the other recommendations were also supported by the dissenters from the main report. The most significant of these were the great need for energy conservation, the need to retain options in other energy resources, especially coal, and a belief in the long-term importance of renewable energy resources.

The final report was taken as a major victory by the pro-nuclear groups, and as a correspondingly important defeat by their anti-nuclear opponents. One Centre Party representative on the Commission, Birgitta Hambraes, complained that the influence of 'experts' within it, and the bias of existing knowledge in favour of nuclear power, determined its conclusions.[11] For her leader, Mr Fälldin, and the Centre Party in general, it was a severe blow whose importance he attempted to diminish by declaring the report to be only one amongst several produced by advisory bodies. Once more, his coalition government appeared in danger of falling apart over the nuclear issue.

By returning the nuclear question to the centre of the political stage, the report made the downfall of the coalition almost inevitable. The crisis was precipitated by applications to charge two completed reactors, Ringhals 3 and Forsmark 1: after several weeks of intense negotiation, it was agreed that a 'soft no' be given to the applications, i.e., that permission would be refused initially, but granted when the Swedish Atomic Energy Board determined that the wastes could be stored underground in complete safety. At first, this significant concession by the Centre Party—

[11] W. Barnaby, 'Swedish experts recommend nuclear energy', *Nature*, 23 March 1978.

which cost it some political support—appeared to have defused the issue, but subsequent negotiations foundered on the Centre's demand for a referendum on the nuclear question, and for a 'hard no' to a third reactor application, Forsmark 3. The ensuing Liberal administration of October 1978 adopted a sympathetic attitude to the nuclear industry, and with support from the Conservatives and Social Democrats, envisaged a 12-reactor programme (1 less than the 1975 programme).[12] However, this was accompanied by measures to increase conservation, and to develop renewable sources of energy.

After Harrisburg

At this point, it appeared that the anti-nuclear movement in general, and the Centre Party in particular, had lost much of its momentum. However, the Harrisburg accident (a radiation leak at the Three Mile Island nuclear plant near Harrisburg, Pennsylvania) last March exerted an enormous influence on Swedish public opinion. On 4 April 1979, Olof Palme made a remarkable volte-face, announcing his support for a referendum on nuclear power, and stating that no decisions on new reactors should be made for a year, until Harrisburg had been thoroughly studied. Dependent as he was upon Social Democratic support in the Riksdag, the Liberal Prime Minister, Ola Ulsten, soon fell into line with this new policy. As a result, the Ringhals 3 and Forsmark 1 reactors were refused permission to charge until after the referendum, despite having satisfied the Conditions Law.

This somewhat transparent ploy to remove the potentially vote-losing nuclear issue from the September 1979 elections was an almost complete success. With the referendum fixed for March 1980, most candidates and electors acknowledged that an extensive debate was pointless. However, if the elections were a little like Hamlet without the Prince, the nuclear question cast an influence over the post-election negotiations to form a new government. Few observers think that the present coalition of Centre, Conservatives and Liberals under the still resolutely anti-nuclear Thorbjörn Fälldin will survive the eventual referendum result.

Although an opinion poll at the time suggested that a small majority (45 to 39 per cent) favoured the 12-reactor programme, there was little direct relationship in the September 1979 elections between party performance and anti-nuclear feeling.[13] Thus, within the bourgeois coalition, the success of the Conservatives, and the decline of the Centre, were a product of their leaders' personalities and their positions on economic and other issues. The same applies to the support which the Social Democrats recouped from the 1976 defeat. In fact, one feature of the last

[12] O. Petersson, 'The governmental crisis in Sweden', *Scandinavian Political Studies*, Vol. 2 (2) 1979.

[13] *Svenska Dagbladet* (Stockholm), 14 September 1979.

few years has been the growth of anti-nuclear feeling within the SDP, especially in the women's and youth sections. This demonstrates the extent to which the Centre Party has changed the climate of opinion over the nuclear question. Thus, the Social Democrats, Liberals and Conservatives are all in broad agreement that no further development should take place beyond the existing 12-reactor programme. This agreement follows the Energy Commission report, which was careful not to recommend any further expansion, especially in the direction of reprocessing plants and fast breeders.

The 1977 Conditions Act, with its onus on reactor operators to give evidence that means of safe reprocessing and totally safe repositories for nuclear waste exist, is also a powerful weapon in the hands of future governments, should they wish to use it. Finally, the Centre can take credit for the changing balance between nuclear and non-nuclear research, with a new awareness of the potential of renewable energy resources and energy conservation. One particularly interesting result of this has been a report called 'Solar Sweden', produced under the auspices of the Secretariat for Future Studies, originally part of the Prime Minister's Office and now transferred to the Ministry of Education, which lays some claim to being the most detailed conception of a future national 'alternative' energy policy in the world.[14] More in the mainstream, several governmental committees are studying ways in which a non-nuclear energy policy might be maintained.

Present indications are that the intense debate of the last few years has created an approximate consensus over the future of nuclear power in Sweden.[15] This is to allow, on economic grounds and to overcome the difficulties of transition, existing reactors and those in an advanced state of construction to be used; but to reject, for environmental reasons, any further development, instead putting large amounts of resources into the development of renewable energy resources and conservation. Within the framework of such a compromise, it may also be possible for the environmentalists to reduce further the numbers of reactors yet to be commissioned. To many observers, such a formula seems a realistic basis for a settlement between the opposing forces, neither of which is at present powerful enough to secure complete victory.

Of course, the fact that any country in a continent as small as Europe adopts nuclear power must be of some concern to its neighbours, a point which is irrelevant in much of the United States. Thus, a study of the Barsebäck 2 reactor concluded that up to 20 countries, amongst them the USSR and other Comecon members, could suffer radioactive contami-

[14] T. Johansson and P. Steen, 'Solar Sweden', *Ambio*, Vol. 7, No. 2, 1978, is an English summary by the authors.

[15] J. Jamison, 'On the politicization of energy in Denmark and Sweden', *Nordisk Forum*, Vol. 15, December 1977 (3) argues that this is the most likely result with energy being consciously 'depoliticized' by the Establishment.

nation from any major accident there.[14] Significantly, much of the opposition to nuclear power in Sweden has come from neighbouring countries, especially Denmark, which has chosen not to take up the nuclear option.

More fundamentally, the Swedish nuclear debate and its effects may well be paralleled in many other Western nations in the near future. Although the anti-nuclear lobby appeared to have lost some of its momentum, Harrisburg has reversed this trend. At least, it seems unlikely that the Swedish nuclear programme will emerge unscathed from the 1980 referendum. At most, the chances of Sweden becoming the first nuclear power to introduce radical changes in energy policy have been significantly increased. Conceivably, these changes would be linked to innovations in other policy areas as part of a 'new politics' aimed at producing marked changes in the life-style of the population. For these reasons, the experience of Sweden as the first country with a substantial nuclear programme to face the problem head-on, is likely to be of continuing interest to the rest of the world for some years to come.

[14] J. Beyea, *A Study of Some of the Consequences of Hypothetical Reactor Accidents at Barsebäck* (Stockholm: Industridepartmentet, Energikommissionen, 1978).

Venezuela: foreign policy and oil

JAMES JOHN GUY

VENEZUELA literally floats on oil, a fact which not only makes this country unique in Latin America but from which it has gained international stature at the global level. After 1973, Venezuela increased its oil revenues approximately four times to some US $9 billion per year, enabling it to adopt a new style of foreign policy. Since the early 1970s, large oil revenues could not be invested directly in the country, owing primarily to the fear of creating uncontrollable inflation in the economy. This fact prompted the government of President Carlos Andrés Pérez to establish a bank called the Venezuelan Investment Fund (Fondo de Inversiones de Venezuela, FIV) in June 1974.

The FIV reflected the transition of Venezuela from a chronic debtor nation to a solvent middle power with a respected currency in international markets, which could participate directly in the developmental aspirations of other nations. Among the main goals of the FIV was that of 'developing a policy of international financial co-operation with the developing countries, particularly with those of Latin America, in order to accelerate their economic development, to rescue their natural resources, to stimulate their economic integration and to promote a more equitable new international economic order.'[1] A direct link was thus established between Venezuela's newly acquired economic (oil) wealth and its foreign policy, which aimed at the creation of a new international economic order and included funding the development programmes of Third World nations.

The Fund's initial capital was established at US $3 billion, and by the end of 1978 it had reached about $7 billion. During these five years, 75 per cent was invested domestically according to the Fifth Development Plan (1976–80) which included the so-called strategic projects—heavy industry plants, the naval industry, the metalworking industry, cement factories, electricity and communications. The rest was dedicated to international financial co-operation as 'a new internal source for the financing of development.'[2] By the end of 1978, the amount allocated to international financial co-operation was approaching US $2 billion.

[1] Venezuela, Fondo de Inversiones de Venezuela, *Memoria 1977* (Caracas: Editorial Genesis, 1978), p. 57.

[2] Venezuela, Fondo de Inversiones de Venezuela, *Evolucion de la deuda publica de Venezuela* (Caracas: Editorial Genesis, March 1979), p. 125.

Dr Guy is Associate Professor of Political Science at the College of Cape Breton, Nova Scotia.

These funds had been committed, multilaterally, to various international organizations and banks and, bilaterally, to a number of governments including several in Latin America and one in Europe.

Beside this Fund other agencies, such as the Central Bank, the Ministry of the Treasury and the Ministry of Foreign Relations, each committed funds to specific programmes which would be used to foster development projects and programmes in underdeveloped countries. The evolution of the programmes is explained in the following table.

Venezuela: International Co-operation Committed Funds during the Pérez Administration: 1974–9[3]
(Millions of Bolivares)

A. *Financial Co-operation:*		
(i) Inter-American Development Bank		2,147·00
(ii) Caribbean Development Bank		107·41
(iii) Central American Bank of Economic Integration		171·85
(iv) Republics of:		
Costa Rica		298·44
El Salvador		392·68
Guatemala		494·98
Honduras		353·40
Nicaragua		272·37
Panama		413·88
Jamaica		214·63
B. *Other Programmes:*		
(i) World Bank		2,147·00
(ii) Banco de la Nación del Peru		347·72
(iii) Central Bank of the Dominican Republic		252·55
(iv) Inter-American Bank of Savings and Loans		42·92
C. *Short-Term Deposits:*		
(i) Bank of Portugal		96·58
(ii) Bank of Jamaica		107·31
(iii) Central Bank of Reserve of Peru		364·86
(iv) Bank of Guyana		42·93
(v) Other Short-Term Programmes and Loans		3,406·87
	Total	Bs. 8,273·51

Source: Banco Central de Venezuela, Caracas.

During the period 1974–9 many financial international transactions took place, particularly with the Caribbean nations and Central America. The amounts in foreign investment and co-operative programmes offered by Venezuela will probably decrease in the years ahead: the Fund estimates that it will end its present commitments by 1980, when the totality of the funds will be dedicated to domestic programmes. Disbursements of the funds committed totalled 89 per cent, or Bs. 7,361·3 million,

[3] The Pérez administration lasted from March 1974 to March 1979. Pérez, of the Social-Democratic party (*Acción Democrdtica*) won with a very large majority in the Congress, the State Legislatures and the Municipal Councils.

the interest for the operations described above amounting to Bs. 1,462·5 m. and amortizations to Bs. 119 m.[4]

Economic expansion, political dynamism and the Andean Pact

President Pérez had a very specific goal in mind when he came to power in early 1974, namely, to integrate Venezuela's economic potential and development programmes with those of other developing countries, particularly in the Caribbean and Central American areas which are the 'natural' recipients of Venezuela's marketable exports and of its political influence. Through the Andean Pact (based on the Cartagena Agreement of 1969)[5] Venezuela also initiated an important era of economic expansionism after 1974, not only for Venezuela but also for the area as a whole. Although Venezuela has a relatively small population, it is the richest country of the group; its added potential enlarges the purchasing power of the Pact, enabling it to compete with the largest countries of Latin America, namely Brazil, Argentina and Mexico. In other ways, Venezuela may be the door which the Andean Pact will use to the Caribbean Economic Community, and vice versa, especially as Venezuela expands its geopolitical influence over the Caribbean area.

Additional contributions to the Andean Pact may be found in the use of Venezuela's funds for international financial co-operation to promote regional integration. Venezuela's new oil income has been used in development assistance for Ecuador, Peru and Bolivia, and for economic organs of the Andean Pact such as the Andean Development Corporation (*Corporación Andina de Fomento*, CAF) and the Andean Investment Fund (*Fondo Andino de Inversiones*, FAI).[6]

In political terms, Venezuela proposed the Ayacucho Declaration in 1974 which called for disarmament negotiations of the signatory countries. Actually, the Declaration did not work as expected because of the lack of interest by the majority of countries. The persistence of territorial and political disputes among the signatories encouraged the continuous purchasing and development of arms, including the possibility of producing some relatively advanced weapons.[7]

[4] The official exchange of the Venezuelan bolivar is Bs. 4·30 for US $ 1.00, but many transactions were calculated at different rates of exchange. As the FIV published all final figures in bolivars, it is difficult to make an accurate estimate of the amount in dollars. See Venezuela, Fondo de Inversiones de Venezuela, *Memoria 1978* (Caracas: Editorial Genesis, 1979).

[5] The members of the Andean Pact are: Bolivia, Colombia, Ecuador, Peru and Venezuela. Chile withdrew in 1976. Venezuela was a late-comer in 1973 and joined a special protocol under the Cartagena Agreement. For background, see F. Parkinson, 'Power and planning in the Andean Group', *The World Today*, December 1973.

[6] CAF's headquarters are in Caracas. FAI was established with a capital of US $240 m. to which Venezuela committed $60 m.; its headquarters are in Bogota, Colombia.

[7] Venezuela has developed some light weapons and is actually producing them. Although Venezuela has not purchased large quantities of weapons, as have some

President Pérez made special efforts to support Bolivia's claim for 'access to the sea' involving negotiations with Peru and Chile, but little progress had been made on this complex and difficult issue. On the other hand, Venezuela's support for the Panama Canal Treaties was very effective, and culminated in President Pérez witnessing the signature of the Treaties in Washington.[8]

The new President, Luis Herrera Capino, was particularly influential in convincing the other members of the Andean Pact to support the Sandinista junta during the insurrectionary stage of the Nicaraguan revolution. Under Pérez, Venezuela had openly denounced Somoza and demonstrated its determination to bring an end to the dynasty. In September 1978, Venezuela signed a Defence Pact with Costa Rica to protect its sovereignty and actually sent an arsenal of planes stationed near San José to dissuade Somoza from taking any military action against its neighbour. These acts point to the dynamic and influential nature of Venezuela's foreign policies, particularly in Central America and the Caribbean, where its affluence is obvious and respected.

Future prospects: two variables

The future of any international financial co-operation is linked to two variables. The first of these is the oil revenues, which have to be maintained and increased in the coming years. This situation, which affects the performance and the stability of the whole of Venezuelan society, depends on a number of external factors over which Venezuela has no control. The future performance of the oil industry does depend not so much on the technical ability to operate the oil fields and refineries as on the ability to sell the oil at a good price. For this reason Venezuela relies on OPEC, the oil transnationals and the eventual capacity and willingness of the purchasers. At present, Venezuela's commitments are to increase its Gross Territorial Product by about 35 per cent between 1975 and 1980. This developmental drive is to be financed entirely by oil income. But much as Venezuela is trying to liberate itself economically from its dependence on oil, the difficulties increase with every price rise as the gap between the oil income and other sources of income (for instance, the metalworking industry) is widened.

The second variable is the capacity of Venezuelans to manage their socio-economic resources and take advantage of the developmental gains. This is a variable which is very difficult to measure in the short run, and although certain measures—such as massive educational programmes—have been taken, many internal conditions seem to affect its achievement

other OPEC countries, it has been upgrading its armed forces and purchased airplanes (Canada), tanks (France), submarines (West Germany) and different kinds of ships (Great Britain and Italy).

[8] See Hans G. Kausch, 'The 1977 Panama Canal Treaties: beginning of a new era?', *The World Today*, November 1978.

negatively. Nevertheless, Venezuelans are moving gradually into the higher management and technical jobs once dominated by foreign expertise, and capable and imaginative manpower combined with abundant resources now demonstrates the success of their experiment in democratic development. Although Venezuela is still some distance from becoming a 'developed' country, one can surely expect it to maintain a leading position among the underdeveloped and to reflect its affluence in its foreign policy.[9]

Venezuela has a bright future if the economy can be transformed into a non-oil based economy in the next 20 years. It is estimated under the Fifth Plan that the government will invest some US $24 billion between 1976 and 1980, which will cause some heavy foreign indebtment in basic infrastructural projects, including the $5 billion state-owned oil industry (nationalized in 1976), and in the operation of domestic capital. What this means, in terms of foreign relations, is that a constant influx of technology and resources, both physical and human, will be needed.[10] These will have to come from the West, and more particularly, from the North Atlantic community. Increased qualified immigration from all over the world, similar to that which Venezuela received from the late 1940s until the middle 1950s, is re-emerging, and it will undoubtedly contribute to changes in the country's socio-economic and political structure.[11]

Substantially, Venezuela's dollar revenues from oil have been much smaller than those of the large Middle Eastern oil producers. But Venezuela has one basic advantage over them: the socio-economic and political structure of the country is more advanced than theirs, allowing its human and physical resources to produce more with less.

[9] The most ambitious educational programme developed by Venezuela was the Ayacucho Programme which has some 20,000 students, half of them outside Venezuela. By the middle of 1978, there were some 500 Venezuelan students in Canadian universities in both undergraduate and graduate programmes.

[10] Less than 2 per cent of the labour force is employed by the petroleum industry, which accounts for over 90 per cent of Venezuela's foreign exchange, over 67 per cent of its government revenue and 20 per cent of its GNP. See David Eugene Blank, *Politics in Venezuela* (Boston: Little, Brown and Co., 1973), p. 3.

[11] Venezuela signed an agreement with the International Committee on European Migrations (ICEM) in 1976, to contract qualified personnel to work in Venezuela. Venezuela receives every year a heavy influx of Latin Americans, coming mainly from Colombia, Argentina, Chile and Uruguay. Today, Venezuelan laws permit foreigners with ten years' residence in the country to vote in municipal elections.

PRINTED IN ENGLAND BY POPPER & COMPANY LTD, WELWYN GARDEN CITY, HERTFORDSHIRE

Cuadernos Semestrales

estados unidos: perspectiva latinoamericana

Presidente: Dr Antonio Sacristán Colás

NUM. 6 **2° SEM. 1979**

CONTENIDO

THE WORLD TODAY

The Royal Institute of International Affairs

EDITOR: LILIANA BRISBY

Volume 35
January—December 1979

Classified list of articles and notes

The Roman numerals denote the month of issue, and are followed by the page numbers, e.g. xii,471 = December 1979, p. 471. A Note of the Month is indicated by (n).

The Royal Institute of International Affairs is precluded by the terms of its Royal Charter from expressing an opinion of its own on any aspect of international affairs. All views expressed in this publication are, therefore, the responsibility of the contributors.